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APPENDIX - VOL. III

Supreme Court of the United States

OCTOBER TERM, 1974

No. 74-1589

GENERAL ELECTRIC COMPANY,
Petitioner,

v.

MARTHA V. GILBERT,
INTERNATIONAL UNION OF ELECTRICAL, RADIO AND MACHINE WORKERS, AFL-CIO, CLC, *et al.*,
Respondents.

No. 74-1590

MARTHA V. GILBERT,
INTERNATIONAL UNION OF ELECTRICAL, RADIO AND MACHINE WORKERS, AFL-CIO-CLC, *et al.*,
Petitioners,

v.

GENERAL ELECTRIC COMPANY,
Respondent.

ON WRITS OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

PETITIONS FOR CERTIORARI FILED JUNE 17, 1975
CERTIORARI GRANTED OCTOBER 6, 1975

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G.E. EXHIBIT NO. 27 - Memorandum of the Bell Companies received August 1, 1972 in the Matter of Petitions filed by the EEOC, et al., before the FCC, Docket No. 19143.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

In the Matter of	)	
	)	
Petitions filed by the Equal Employment Opportunity Com-Commission (EEOC), et al.	)	Docket No. 19143

MEMORANDUM ACCOMPANYING THE
AUGUST 1, 1972
SUBMISSION OF THE BELL COMPANIES

I. INTRODUCTION

The Bell companies are filing on this date with the Federal Communications Commission testimony documenting their commitment to equal employment opportunity and the steps they have taken to implement that commitment in all phases of the employment process. The testimony responds in detail to the allegations of discrimination which the Equal Employment Opportunity Commission (EEOC) has made against them.

This memorandum and the testimony it summarizes show: (1) the Bell companies are fully and firmly committed to the national goal of equal employment opportunity, and have been so committed as that policy has evolved over the years; (2) their commitment has produced results - good, substantial results; (3) these results are being produced by employment practices that are, contrary to the assertions of the EEOC,

progressive and lawful and nondiscriminatory; on an equal basis to male and female employees in the event of sickness, on-the-job accident or retirement. Also, in the event of death of an active or retired employee, a survivor annuity is payable to either a widow or widower. The Benefit Plans were revised during collective bargaining in 1971 and now make absolutely no distinctions among employees on the basis of sex.

2. *Maternity Leave*

While authoritative judicial interpretations have not as yet been given, we consider the maternity leave policies of the Bell companies fair and nondiscriminatory.[133] Leave policies, in general, as well as the features of maternity leaves in particular, are discussed in the testimony of Therese F. Pick, Secretary of the Employees' Benefit Committee.

The maternity leave policies of the companies permit any female employee, consistent with medical advice, to determine when she will take up to a year's leave. There is no fixed period for taking leave. Maternity leave is a personal _____, but carries substantially greater assurance of employment than in the case of other personal leaves.

The Employee Benefit Plans provide sickness disability benefits to any employee with six months' service, beginning the eighth day of an absence from work because of physical

---

[133]In the only decision to date by a United States Court of Appeals, the Fifth Circuit held that a leave system requiring termination at a fixed date was reasonable and rationally related to a permissible purpose and did not violate the Civil Rights Act of 1871. Schattman v. Texas Employment Comm'n, _____ F.2d _____, 4 F.E.P. Cases 358 (5th Cir. 1972), *rehearing denied,* _____ F.2d _____, 4 F.E.P. Cases 543.

disability to work by reason of sickness. Since employees on leave are not "absent" from work within the meaning of the Plan, no employee on any category of leave, including maternity leave, is eligible for sickness disability benefits. Moreover, a normal pregnancy is not a "sickness" within the meaning of the Plan, or by common medical definition.[134] While EEOC by its latest guidelines seeks to characterize such an approach as discriminatory, this is a change of position by EEOC and it has not been judicially approved. The Bell companies' practices are consistent with initial EEOC interpretations that did not seek to compare an employer's treatment of maternity with his treatment of illness or injury.[135]

The estimated annual cost of providing disability benefits in all maternity cases ranges from $26 million, based on an average duration of eight weeks, to $58 million, consuming a 24-week duration. In relating this cost to service, it must be considered that a large number of women taking maternity leave do not return to work. A recent survey of 4,715 maternity leaves in six Bell companies showed that 38 percent did not wish to return.[136] Since Bell will employ women who are already pregnant, and in light of the relatively short service period required

---

[134]See testimony of EEOC witnesses Hellegers and Barter (EEOC Exhibits 13, 26 and Tr. 1089 *et seq.*, 2017 *et seq.*).

[135]See G.C. Opinion 218-66 (June 23, 1966); G.C. Opinions dated Nov. 15, 1966, and Feb. 17, 1967, CCH Emp. Prac. Guide, ¶1219 (1969); and Dec. No. 70-360 (Dec. 16, 1969), CCH Emp. Prac. Guide, ¶6084.

[136]Pick Testimony, p. 8.

for sickness disability eligibility, there is considerable room for abuse if benefits were extended to cover pregnancy. Accordingly, the Bell companies could not be justified in asking our customers to assume this added cost.

D. OPPORTUNITIES FOR ADVANCEMENT

The Bell companies have always emphasized the promotion of current employees to fill their higher positions. In part this is due to the unique nature of many telephone jobs, and in part to a recognition by the Bell companies of the desirability of providing meaningful and rewarding careers to their employees.

The EEOC has alleged that many Bell jobs, particularly those in which minorities and women have been employed.

G.E. EXHIBIT NO. 28 - Testimony of Therese Pick, In the Matter of Petitions filed by the EEOC, et al., FCC Docket No. 19143, Bell Exhibit No. 5 of 8/1/72 and Official Transcript, Volume 47, pgs. 5455-5557.

TESTIMONY OF THERESE PICK

Qualifications

My name is Therese F. Pick. I am secretary of the Employees' Benefit Committee of the American Telephone and Telegraph Company, at 195 Broadway, New York, New York. Before assuming my current responsibilities, I was an assistant secretary of the benefit committee at

AT&T for 8 years. Prior to that I had some 12 years of a variety of responsibilities in the Personnel Department at AT&T.

My present responsibilities include the design of pension, benefit and insurance programs for Bell Telephone companies, formulation of policies related to these programs, administration and interpretation of specific provisions of the programs and consultation on problem areas with the benefit secretaries of the several telephone companies.

Purpose

The purpose of my testimony is to provide an explanation and overview of the Bell System's "Plan for Employees' Pensions, Disability Benefits and Death Benefits" with particular emphasis on "Leaves of Absence" policies and our policies respecting pregnant applicants and employees.

The Benefit Plan

Each Bell System company's "Plan for Employees' Pensions, Disability Benefits and Death Benefits" provides coverage on an equal basis with the same eligibility requirements for male and female employees in the event of sickness, on-the-job accident, retirement or death. Also, in the event of death of an active or retired employee, a survivor annuity is payable to either a widow or widower under conditions that will be described later. Eligibility requirements are the same for all employees regardless of race, color, religion, sex or national origin.

* * *

-5- Leaves of Absence

The plans provide that any absence without pay, other

than a "leave of absence" shall be considered as a break in continuity of service. A leave of absence thus is the usual technique to prevent such a break, which is important since continuity of service determines length of vacation and eligibility to sickness benefits and group life and medical insurance and is the basis for pension credit.

* * *

Personal Leaves

These are granted by the committee at the request of the employee depending on the work needs of the department, the work record of the employee, the probability of his or her return, the duration of absence requested, the reason given for the leave requested, etc. Personal leaves generally carry service credit for the first month, elibibility to death benefits during the leave depending on the length of leave and expectancy of return. Employees on personal leave are not eligible for sickness disability

-6-

benefits. However, where the employee is scheduled to return to work at the termination of the leave, but is prevented from doing so by a sickness disability, he or she may be eligible for benefits on the eighth day following termination of the leave. At the end of the leave the application for reinstatement is reviewed on the basis of jobs available and every effort is made to reinstate the employee interested in returning. No wage progression credit, i.e., service time upon which the employee's wage progression is based accompanies personal leaves. Generally the employee on personal leave continues to participate in the company's medical expense and group life insurance programs for a limited period, usually up to one year.

* * *

-7-

Maternity Leaves

The Bell companies have for years granted pregnant employees leaves of absence for maternity reasons. These leaves have followed generally the pattern of personal leaves as outlined above. There was no uniformity as to all features among the companies. Most companies have personnel practices relating to this subject but some companies have the terms embodied in their union contracts.

With a view to achieving more uniformity, the labor relations staff of the American Company in April, 1971, in anticipation of that year's round of labor negotiations, distributed to the labor relations staffs of the Bell operating companies a list of principles relating to maternity leaves which it was suggested be incorporated in their contracts or practices as follows:

(1) Apply to all females whether married or not;

(2) No fixed date for going on leave. Each case to be decided upon individual basis considering such factors as employee's condition, requirements of her job, medical advice, etc;

(3) Upon application for reemployment, a like position should be provided unless conditions make it impossible, and no applicant should be refused without concurrence of appropriate Personnel Department representative;

-8-

Note - Language on leave application form indicating no guarantee of reemployment should be deleted.

(4) Where the nature of the job precludes continued work but other less arduous work that the employee could safely perform is available, the employee should be given such work but 'red circled' at her former higher rate where the company practice is to treat other employees (men) in that fashion;

(5) The leave should carry eligibility to death benefits but not sickness disability benefits during the leave.

Several comments should be made about these principles. We recognize that, subject to medical advice, the time when a pregnant employee should stop working is largely an individual matter.

There is a strong commitment to reemploy as stated in item 3 above. This generally is not a written unconditional guarantee because the nature of some jobs, particularly in small operating locations, makes it impossible to replace the employee by another without assuring the new employee of permanency. Every effort is made, however, and usually successfully, to place the employee wishing to return after her leave in the same job she left or in a comparable job in the same or nearby location.

A recent survey was made of 4715 maternity leaves ending in the period July 1, 1971 - January 31, 1972 in four large Bell operating companies.* Only 2937 (62 percent) of those on leave returned to work; 97.1 percent of those not returning acted on their own volition. Jobs were not available for only 51 employees who wanted to return to work, or just a little under 1.1 percent of the leaves.

---

*Illinois, Southwestern, four Chesapeake and Potomac companies and Southern Bell.

-9- I should also note that maternity leaves are ordinarily granted for a period of two to six months with extensions permitted up to a year.

* * *

Sickness Disability Benefits

I should now like to turn to the subject of sickness disability benefits. Under our benefit plans, sickness disability benefits are paid on the eighth day of absence "on account of physical disability to work by reason of sickness" (Section 6 (1) of the plan). Disability on account of injury other than that arising out of and in the course of employment constitutes "sickness" for this purpose. Sickness disability benefits are paid to employees having a minimum service period of 6 months at the rate of one half-pay for up to 52 weeks of sickness disability. The duration and rates of benefits increase with added service to 52 weeks at full pay after 25 years of service.

It will be noted that sickness disability benefits are paid for the *absence* resulting from sickness, and not merely for the sickness. An employee on leave is not on the active roll of employees scheduled or expected to work, and hence is not classified as "absent". Accordingly, sickness disability benefits are not paid to any employees on any class of leave. Furthermore, benefits are not paid for disability or inability to work as such—the disability or inability to work must be on account of sickness.

By the same token, we do pay sickness benefits when a pregnant employee is absent (*i.e.*, before going on a leave, the date of which is fixed not automatically but by

her individual situation, medical advice, etc.) due to sickness disability either unrelated to her pregnancy or arising out of it in the form of sickness complications or abnormalities, such as toxemia, hypertension, miscarriage, abortion, etc. And the benefits in such cases continue until the sickness disability ceases or up to one year as outlined above.

We believe our practices regarding maternity leaves are fair and do not discriminate. They carry the perquisites of leaves granted for personal reasons. In addition they carry even greater assurance of a return to work if the employee desires.

To pay sickness benefits for all maternity cases would be most costly, contrary to the "absence-sickness" intent of our plans. We have estimated the cost to range from about $26 million a year based on a duration of eight weeks, to about $58 million a year based on twenty-four weeks. These figures do not include the estimated $2 million to $6 million premium costs for Blue Cross-Blue Shield which would be incurred by the companies if we were required to pay sickness benefits for all maternity cases. This expense would be unwarranted even if all these people returned to work. But as indicated above, about 38 percent choose not to do so. Accordingly we do not believe our rate payers should bear this substantial, added cost.

EEOC Summary 3396 states that the Bell Companies' Extraordinary Medical Expense Plans in effect in 1971 exclude medical expenses for pregnancy, childbirth and related care. It should be noted that severe medical or surgical complications arising from pregnancy or the resulting childbirth are not excluded from coverage if they

otherwise qualify as covered medical expense. In addition,
-11- it should be noted that medical expenses for pregnancy, childbirth and related care are covered in the Bell Companies' Basic Medical Plan.

* * *

5455 Whereupon,

THERESE F. PICK

was called as a witness and, after being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. LEVY:

Q. Please state your name. A. My name is Therese Pick.

Q. What is your business address? A. I am at the American Telephone and Telegraph Company, 195 Broadway, New York, New York.

Q. What is your occupation? A. My occupation is Employees Benefit Secretary, the Benefit Committee of the AT&T Company.

Q. Do you have before you a copy of the document that has just been marked Bell Exhibit No. 5, "Testimony of Therese Pick"? A. Yes, I have.

Q. Did you prepare that document or was it prepared under your supervision and control? A. Yes, it was.

* * *

5456 A. On page 1 in the first line, first paragraph, change the comma to period after my name Pick.

On page 5, line 6 in the last paragraph, the comma should be deleted and the word "and" inserted.

JUDGE DENNISTON: That is between the words "month" and "eligibility"?

THE WITNESS: Yes, it is.

On that same page 5, line 8, in the last paragraph, delete "personal" in the second to the last line.

Page 8, line 2 of the last paragraph, the study period is July 1, 1971 to January 31, 1972.

BY MR. LEVY:

Q. Your correction then is to change "1970" to "1971"? A. That's right.

On page 10, lines 3 and 4 of the last paragraph to delete the four words "in the case of."

* * *

Q. Having read those corrections into the record, do you now adopt this testimony you have before you as your own and is it true and correct to the best of your knowledge, information and belief? A. Yes.

* * *

458 CROSS-EXAMINATION

BY MISS LONGO:

A. First, I would like to ask you a few questions about some items that appear on page 5.

On page 5, lines 4 through 6, you say that continuity of service determines the length of vacation and eligibility to sickness benefits, group life and medical insurance and is the basis for pension credit. Does continuity of service also determine wage progression credit? A. To my knowledge it does, yes.

* * *

5460 Q. Further on in the personal leave of one month or less and we have continuity of service, would there ever be any sickness disability granted? You have a statement here on page 5 which is a little confusing to me, that same statement that the personal leaves up to one month carry service credit and you indicated that that meant continuity of service is maintained and further up there
5461 in the page you said continuity of service determines length of vacations and eligibility to sickness benefits? A. However, while a person is on a leave of absence, they are not scheduled to report to work so they are not absent. If they become ill while on that leave of absence, since they are not scheduled to come to work they would not become eligible for sickness benefits.

Q. So if somebody took a personal leave of absence, either the one-month leave or the longer one, they could never be eligible for sickness disability benefits? A. You are meaning during the period of the leave?

Q. Yes. A. If they became ill while on the leave of absence?

Q. Yes. A. They would not become eligible for sickness benefits.

Q. Never?

* * *

5480 Q. A little further down the page, I guess it is the second full paragraph, you state that the Labor Relations
5481 Staff of the American Company in April of 1971 distributed a list of principles relating to maternity leave and then you list five principles.

Can you indicate which companies as of today or in the recent past have adopted this policy in toto that you have listed on page 7 and page 8?

MR. LEVY: You are asking for a listing of the individual companies?

MISS LONGO: Yes, the individual companies that have adopted this set of principles that your Labor Relations Committee drew up.

THE WITNESS: I would not be able to make the statement about all five principles. I believe this can be ascertained fairly easily.

BY MISS LONGO:

Q. Are there companies that would have adopted only some of them and not others? A. You are wondering about right now as of this date?

Q. Yes. A. There are some companies that may not have adopted one of these as an example. That is why I am reluctant to make an overall statement because I think there might be a company that has not adopted one of these.

* * *

5513 Q. I would like to ask you a few questions about your sickness disability. Let's go over to page 9, lines 4, 5 and 6 of that first paragraph on sickness disability.

You state "Disability on account of injury other than that arising out of and in the course of employment constitute sickness for this purpose."

You used the phrase "disability on account of injury". Does "injury" include disease? A. In trying to distinguish between sickness which would include disease and injury, which might be an accident that happens off the job.

Q. But you are not answering my question. A. Injury does not refer to disease.

Q. Can there be sickness disability benefits for someone

5514 who is not injured but who is diseased? A. Yes.

JUDGE DENNISTON: I think the preceding sentence says that, doesn't it, Miss Longo?

BY MISS LONGO:

Q. Are there any illnesses that are not covered under the sickness disability benefits, any specific illnesses?

A. No, there are not.

Q. Any specific operations? A. Not if the operation requires absence from the job.

* * *

5515 Q. What happens, say, when an employee has an operation in the doctor's office or else it is a very simple operation and may require only one or two days of recuperative time and there are complications and instead of being absent two or three days they would be absent for ten days.

5516 Under which plan would they be covered? A. As soon as they reach the 8th day, they would be covered under the plan.

* * *

Q. I would like to ask you about a specific kind of operation that may be performed in a doctor's office.

Are abortions covered under those plans the same as other operations? A. Yes.

Q. There is some medical confusion or lay confusion about a spontaneous abortion as opposed to a medically-

5517 induced one. A. A spontaneous abortion would be covered – the absence for that.

Q. Would a medically-induced abortion be covered, a voluntary, intentional abortion? Would that be covered?

A. Yes, it would?

Q. For someone to collect sickness disability benefits, am I to understand that they cannot be on a leave to collect those benefits? A. That is correct.

Q. What is their absence called if they are not on a leave, if they are ill and away from the job? Do you call it anything? A. Sickness disability absence.

Q. During the duration of a sickness disability absence, is there any wage progression credit? A. Yes, there is.

Q. Is there any pension credit? A. Yes.

Q. Are they still covered – this is a silly question, but are they still covered by group life insurance and medical expense? A. Yes.

* * *

5533 Q. Thank you very much on that.

Let's turn to your testimony on maternity leave which I believe begins on page 7, and there is a list of the principles you have already discussed with Miss Longo on pages 7 and 8 and I have just a brief question on the fourth of these principles on page 8 where it states that the nature of the job precludes continued work but other less arduous work that the employee could perform is available, the employee should be given such work but red circled at her former higher rate where the company practice is to treat the other men employees in that fashion.

Is that correct? A. That is correct.

Q. I don't understand where the company practices to treat other employees, men, in that fashion, and could you give an example of that? A. There may be instances where an employee has had an illness and has returned to the job and is not quite capable of doing his

5534 regular job, where he is then put in a lower assigned job but at the red circled rate.

There may be instances where, again, he is just partially disabled. His usual job is to climb poles, he strained his wrist –

Q. Let's say if he had a heart attack he would be in a less arduous job but he would be circled? A. That could be a policy.

Q. If a company has that policy for males, it will have the same policy for females? A. Yes, this was the principle that was being offered.

Q. You said you were not sure which companies had adopted this principle? A. We understand from our labor relations staff that this is being generally and widely implemented. I would not be able to say the status of it company by company.

* * *

5536 Q. All employees are entitled, according to the plan, to sickness disability benefits when they are working and not on leave? A. That is correct. To be eligible, one needs six months' service to be covered by the full plan.

Q. But after that all employees are covered? A. Yes.

Q. A pregnant woman employee is covered until she begins that maternity leave? A. That is correct.

Q. Once she begins maternity leave, she is not covered by the sickness disability benefits? A. That is correct.

* * *

5537 Q. On these principles on maternity leave that you have on pages 7 to 8, what recourse does a woman have if she believes that those principles are not being followed? Let me give you an example in my own mind.

For example, if she applies for re-employment and she thinks there is a position open, that her old job is open

and they are just not giving it to her, what can she do? A. I think she could speak to higher levels of authority within her department.

I have to make the assumption here when she returns to her department and has gone to her immediate supervisor and the immediate supervisor demures to this employment provision, then her next recourse would be to go to higher levels and say, "I believe this is one of my rights."

Q. This is not a matter covered by any union grievance procedure? A. I don't believe so.

Q. And there is no formal sort of grievance procedure for these kinds of matters. It is merely an informal questioning of her supervisors and higher company officials? A. I believe that is the way it works.

MR. GARRISON: I have no more questions, Your Honor.

* * *

5545 Q. You said in the testimony that the 97.1 percent of the women not returning acted on their own volition. That means that they just were not refused a job; is that right?

JUDGE DENNISTON: What page are you referring to, Miss Gemma?

MISS GEMMA: Page 8.

THE WITNESS: Perhaps the best thing is to read it "97.1 of those not returning acted on their own volition. They did not want to return."

BY MISS GEMMA:

Q. They did not want to return or they were refused a job? A. They refused a job.

Q. How did you know they did not want to return? A. This is part of the procedure at the expiration of the leave.

Q. Do you mean you called them up and asked them whether or not they wanted to return? A. In the companies included in the survey they had evidence to show either these women volunteered this or took the initiative or upon contact indicated they were not interested in returning.

5546

Q. Say a woman returned back to work and she was offered a job that was not as high-paying as the one she had before she left because it was not open and she decided not to go back to work. Wouldn't she be returning on her own volition? A. She would make the decision not to return under those conditions.

Q. So this 97.1 could include any number of women who decided not to return to work because they were not offered a job as high paying as the one they had before? A. It could be, I don't know.

* * *

G.E. EXHIBIT NO. 30 - Testimony of Robert H. Barter, EEOC Exhibit 26 and Official Report of Proceedings, pgs. 1088 through 1112, February 14, 1972, In the Matter of Petitions filed by the EEOC, et al., FCC Docket No. 19143.

* * *

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D. C. 20554

In the Matter of:	)	
	)	
	)	DOCKET NO. 19143
Petitions filed by the	)	
EQUAL EMPLOYMENT	)	
OPPORTUNITY COMMISSION,	)	
et al.	)	

FEDERAL COMMUNICATIONS COMMISSION

Docket No.: 19143 et al. **Exhibit no.: 26**
Presented by: EEOC

	Identified	x
Disposition	**Received**	x
	Rejected	

Reporter: Short
Date: 3/2/72

TESTIMONY OF ROBERT HENRY BARTER

My name is Robert Henry Barter. I received my B.S. (1937) and M.D. (1940) from the University of Wisconsin. I then interned at Cleveland City Hospital and worked as a resident at both Chicago Lying-in-Hospital and at Wisconsin General Hospital. In 1949 I was certified by the American Board of Obstetrics and Gynecology.

I served in the U.S. Army Medical Corps for a period of four years after which I was Chief Medical Officer in Obstetrics and Gynecology at Gallinger Municipal Hospital in Washington, D. C. For the past thirteen years I have been Professor of Obstetrics and Gynecology at The George

Washington University School of Medicine. Between 1958 and 1967 I served as Chairman of the Department of Obstetrics and Gynecology. In addition, I am Consultant Emeritus in Obstetrics and Gynecology to the Surgeon General of the United States Air Force, Consultant to the National Institutes of Health, and Senior Consultant at Walter Reed Army Medical Center.

During the course of my career I have published over 30 articles in professional medical journals and produced six professional films concerning Obstetrics and Gynecology. In addition to being a member of eleven professional societies, I have served on the Executive Board of the American College of Obstetricians and Gynecologists, as President of the Southern Gynecological and Obstetrical Society and as Chairman of the Section on Obstetrics and Gynecology of the American Medical Association.

It is my impression, as a Professor of Obstetrics and Gynecology and a practicing Obstetrician and Gynecologist, that there is no reason why a patient who is pregnant should not be able to work as long as she feels capable of so doing.

In the early history of this country there is certainly nothing which would lead one to believe that women were not allowed to work as long as they wished. The rules and regulations which have prevented pregnant women from working have not had any basis in actual fact.

I am of the firm belief that many women who are pregnant do much better in those pregnancies if they are allowed to work. Such is particularly true of a woman who has worked all of her life and who, when unable to work, may develop anxiety and depression which she

would not have had if she had continued her regular place in the work-a-day world.

Therefore, I would like to go on record as saying that in the absence of any complications of pregnancy, there is no reason why any normally pregnant woman should not be allowed to work as long in her gestation as she may comfortably do so.

PARTIAL TRANSCRIPT

March 2, 1972
Pages: 2018-2030

2018 DIRECT EXAMINATION

BY MR. COPUS:

Q. What is your name, please? A. Robert Henry Barter.

Q. Dr. Barter, what is your business address? A. 2141 K Street, Northwest.

Q. Washington? A. Washington, D. C.

Q. What is your occupation, Dr. Barter? A. Physician.

Q. What kind of a physician? A. Obstetrician and gynecologist.

Q. What is your place of employment? A. Self-employed.

Q. Do you have in front of you a document which is entitled "Testimony of Robert Henry Barter" which has been marked for the record as EEOC-26? A. Yes.

Q. Was that document prepared by you or under your

your direction? A. Yes.

Q. Do you have any changes you want to make in it at this time? A. No, it is correct.

Q. Do you now adopt this testimony as your own
2019 testimony and is it true and correct to the best of your information, knowledge and belief? A. It is.

MR. COPUS: Mr. Examiner, we now offer Dr. Barter for voir dire and cross-examination.

PRESIDING EXAMINER: I assume the list of publications, 28, was a correct list of your writings?

THE WITNESS: Yes.

PRESIDING EXAMINER: Very well.

CROSS-EXAMINATION

BY MR. LEVY:

Q. Dr. Barter, have you practiced industrial medicine? A. Not as such.

Q. Are you familiar with the physical requirements of positions which pregnant women may hold in private industry generally? A. No, I don't keep any such women from my practice, if that is what you mean. I don't discriminate against anyone who happens to be working and who is also pregnant.

Q. I was asking, Doctor, whether you were familiar with the physical requirements and environment of jobs or positions in private industry which pregnant women might hold. A. Well, such as?

Q. Such as the range of jobs which pregnant women might hold, Doctor.

2020 Let me be more specific – ; A. A pregnant woman can hold any job a non-pregnant woman might hold.

Q. Are you familiar with the requirements of the positions which women may hold in the Bell companies?

A. No, not specifically.

Q. You are not familiar, then, with the physical requirements of the lineman job or the cable splicer job or the telephone operator job in the Bell System? A. No.

Q. Doctor, in the first paragraph on page 3 of your testimony you state, and I quote, "there is no reason why a patient who is pregnant should not be able to work as long as she feels capable of so doing." A. Yes, that is correct.

Q. And in the concluding paragraph at the bottom of page 3, carried over to page 4, you again state categorically, and I quote, "there is no reason why any normally pregnant woman should not be allowed to work as long in her gastation as she may comfortably do so." A. Yes, that is correct.

Q. Is it your feeling that the subjective feelings of the pregnant working women are controlling as to whether or not she may safely and efficiently continue to work at her job? A. Yes, I think that has a bearing. I think as long as she feels like working, I don't see any reason why she should not continue to work.

Q. Medically speaking, Doctor, can't it be subjectively comfortable, to use the word you used, for a normally pregnant woman to continue at her job and yet be unsafe for her to do so? A. Well, in the types of occupations of women who I see and who are "normally pregnant" the majority of women I see are doing jobs that there is no reason why they could not do safely. Certainly being a secretary you can do just as safely being pregnant as not being pregnant.

Q. Even though a woman is comfortable while working, Doctor, isn't it true that her pregnancy places certain stress on such organs as the kidney and the liver? A. Not in the normal patient, no.

Q. Might exposure to certain potentially toxic substances which would produce no harm to a normal nonpregnant women be harmful to a normally pregnant woman? A. Not to the patient herself, no.

Q. Would jobs involving exposure to various kinds of radiation and toxic matter be potentially harmful to the unborn child? A. Yes. It would also be harmful to the patient.

Q. They would be harmful to the patient? A.
2022 Yes, sure. There is not anything that is going to harm the fetus that does not have some adverse effect on the patient.

Q. Don't the physical limitations of normal pregnancy tend to increase the risk of accident in certain jobs as pregnancy progresses? A. I would not say so in the jobs with which I am familiar, which my patients occupy, which my patients hold.

Q. What about a woman in a job involving climbing up and down telephone poles or in and out of manholes or visiting and making installations on outside premises as pregnancy progresses, as weight increases, as normal agility is affected by the weight carried by the pregnant woman, is it likely that accident risk would be increased? A. Well, for the specific occupations that you mentioned I am sure that would be true, but I just don't happen to know any telephone pole climbers who are pregnant and I don't think you do, either.

Q. Well, those questions I asked you, Doctor, were from the medical viewpoint. Let me ask you from the perspective of industrial efficiency as to your comments that I previously quoted. Can't a women feel capable of working and yet be inadequate or inefficient in attempting to do so? A. I don't think any more than a nonpregnant patient. I think the pregnancy is not a factor.

2023 Q. Doctor, when your colleague, Dr. Hellegers was here, he made reference to an article by a Dr. R. W. Biddle in the January 1970 Journal of Medicine, entitled "Gravid Women at Work." Are you familiar with that
2024 article, Doctor? A. I am.

Q. Would you agree with the following statement from that article, Doctor, and I quote from the first page of the reprint which Mr. Copus made available to us: "Pregnancy may affect both the ability and capacity of gravid women to work efficiently; working may affect the pregnancy as well."

Would you agree with that statement, Doctor? A. Not entirely, no.

Q. To what extent do you disagree with that? A. Would you read it again? I remember having read that and thinking that was too broad a statement.

MRS. POTTER: Perhaps it would be helpful if the Doctor could look at the article.

MR. LEVY: Do you have a copy? My copy is marked up.

THE WITNESS: As a broad generalization, I guess you would have to say that that isn't incorrect. I think it is too broad a general statement.

BY MR. LEVY:

Q. At the top of the right-hand column of the second page of the reprint supplied by Mr. Copus is the following statement, Doctor, It is a separate paragraph, and I quote: "Hyperemesis gravidarium, urinary frequency,
2025 symptoms of pressure, constipation, excess vaginal discharge, and fetal activity might militate against efficiency at work."

Would you agree with that statement? A. No, I would not agree with that.

Q. What is your basis for your disagreement, Doctor?

A. The basis for my disagreement is that very few patients have any or all of those symptoms. I mean, every gal that gets pregnant does not get morning sickness which is what you read from hyperemesis.

Q. I thought that was a strain of gladiola. A. Some women wish that it were.

No, I was rather surprised at Dr. Biddle, whom I happen to know, let his name be put on that article. In fact, I think that he is an obstetrician and gynecologist in practice and to the best of my knowledge he is not an industrial, or I would say commercial obstetrician and I wondered where he got that and why he would make such a statement because I personally don't agree with it.

Now, I would agree that if someone had a severe morning sickness she obviously is not as efficient but I personally don't know of any patient who had quit her job because she had morning sickness.

The other things in the article, I mean constipation is not peculiar to pregnancy in the average female.

Q. Doctor, of course, the quote did not talk about these reasons for quitting work. The quote was framed
2026 in terms of these several factors listed, "may mitigate against efficiency at work."

Perhaps you misunderstood it when I read it. Would you agree that these are factors which if they obtain in a given pregnant woman may militate against her efficiency at work? A. In a very broad generalization, but it applies to very few women who are pregnant as individuals.

Q. The last quote from the article that I would like to read to you, Doctor, and ask your views on is the following, and it is from the bottom of the left-hand column, top of the right-hand column of the fifth page of the

reprint supplied by Mr. Copus: "In many pregnant women their capacity for work is affected by increased weight, change in posture and physiologic changes in the urinary tract and cardiovascular system. Fatigue may predispose to instability of the nervous system and to poor food intake leading to anemia. Complications of pregnancy are seldom affected by work itself unless the patient works with dust, certain kinds of chemicals or with laboratory viruses. On the contrary, pregnancy may decrease efficiency of concentration and alertness."

Would you agree with that statement, Doctor?

Perhaps you would like to see it. I know there were a number of thoughts in it. A. Well, again, that is a very broad generalization. On the other hand, I don't think there would be very many women who think that they are mentally less alert because they are pregnant. I
2027 doubt if you sampled any large number of women that they would agree with that. Women do not complain of that as a problem of pregnancy.

* * *

Q. Were you familiar with the work that farm women did years back? A. Yes.

Q. And still do, presumably. A. Yes.

Q. And were their tasks physically demanding? A. Yes, I would say that the average woman on a farm works pretty hard.

Q. And did they stop working hard when they were pregnant? A. Not to the best of my knowledge, no.

Q. Would not their tasks demand lifting and bending and stretching and many other types of physical strains? A. I think that the average farm woman today probably does pretty much the same type of work when she is

pregnant that she does when she is not pregnant. I am sure there is very little limitation of their ability to do things.

Q. All right. A. My whole philosphy is that a pregnant patient can to a great extent adjust her own life as to her ability to adapt to different situations, and I think that, if I may enlarge upon that, that telling somebody that when you are 28 weeks pregnant, for example, for in that article that Mr. Levy quoted one of the companies saying that women had to quit work when they were 12 weeks pregnant, first of all nobody knows it so that in itself is foolish. I think to tell any patient that when she is 28 weeks pregnant you automatically
2030 have to quit, say, teaching school or working in an office, or doing some secretary type of labor, there is no physiologic justification for it.

Q. Or even a physical type of labor, would you include that in it, too? We just discussed the farm woman. A. Well, physical to the point of within her own capacity.

Q. Well, then, I gather from your testimony what you are suggesting is that instead of a company trying to set down ground rules as to one woman must desist from physical activity that you think it is an adequate gauge to allow the woman herself to decide when she could not carry out certain tasks? A. I think the average woman does that. I don't have in mind – my principal concern through the years has been the school teachers because I just don't see any reason why a woman cannot teach school pregnant as well as she can teach school unpregnant and that has been the basis of my contention through the years.

Q. Do you think that many of the restrictions on pregnant women are just a reflection of our cultural

mores rather than physical necessity? A. Yes, I think that they are too arbitrary and again without physiologic background.

MR. JUNTILLA: All right. Thank you, Doctor.

G.E. EXHIBIT NO. 31 - FCC Staff Exhibit 36 (list of questions to be asked of company witnesses) dated November 24, 1972, in the Matter of Petitions filed by the EEOC, et al., FCC Docket No. 19143

FEDERAL COMMUNICATIONS COMMISSION

Docket No.: 19143 **Exhibit No.: 36**

Presented by: FCC Staff

	Identified	x
Disposition	**Received**	x
	Rejected	

Reporter: BRM

Date: 11-29-72

Mr. Harold Levy, Esquire
AT&T
195 Broadway
New York, New York 10007

Dear Mr. Levy:

As promised, you will find herein a list of questions intended to be asked all company witnesses. The witnesses scheduled to appear November 27, 1972 through December 1, 1972 will be asked these questions orally. Company witnesses thereafter are requested to respond in writing if they can.

You will note that all the questions below are the same as those asked of Therese Pick, with the exception of questions regarding "the Bridge."

1. For non-management employees does continuity of service determine eligibility for:
   a. Pension credit?
   b. Wage progression credit?
   c. Sickness disability benefits?
2. For management employees does continuity of service determine eligibility for;
   a. Pension credit?
   b. Wage progression credit?
   c. Sickness disability benefits?
3. a. Are benefits accompanying personal leaves administered differently depending on the length of leave?
   b. Are personal leaves divided into categories by length? What are those categories (i.e., leaves of one month or less and leaves of more than one month)?

* * *

26. Are non-management employees on maternity leave eligible for sickness disability benefits? Answer the same question for management employees.

Mr. Harold Levy, Esquire

34. Specify whether your answers would be different for married and unmarried females in

questions 6-16, 16-21, 26, 28, 30, and, 31-33.

I apologize for the delay in sending you these questions.

Sincerely,

Giovanna H. Longo
Counsel

cc: Frederick W. Denniston, Administrative Law Judge
Federal Communications Commission
1919 H Street, N.W.
Washington, D. C. 20554

David A. Copus, Esquire
Equal Employment Opportunity Commission
1800 G Street, N.W.
Washington, D. C. 20506

G.E. EXHIBIT NO. 32 - EEOC "Request for Statistics, Received 4/13/71, In Matter of Petitions filed by EEOC, et al., FCC Docket 19143.

211 East 35th Street
New York, New York 10016
April 8, 1971

Honorable Jacob K. Javits
United States Senate
Washington, D. C. 20510

Dear Senator Javits:

I have just reviewed the discovery request propounded by EEOC to AT&T which is now being considered in FCC Docket No. 19143. (Copy attached.) I am certain you will agree that providing the information requested by EEOC is a horrendous undertaking, and I would guess that just gathering this material will cost the Bell System somewhere in the area of $1,000,000.

I also happen to be a customer of New York Telephone which, as you know, has serious service problems. AT&T may not have a perfect record in satisfying the insatiable demands of EEOC, but I for one would much prefer that such funds be spent on plant and equipment leading to improved service.

EEOC is seeking enforcement powers similar to the NLRB. It is obvious from this demand and other EEOC activities that they are incapable of objectivity. I therefore urge that you deny them additional powers.

Very truly yours,

/s/ JAMES R. THOMPSON
James R. Thompson

JRT:tg

Attachment

cc: Mr. Ben F. Waple

REQUESTS FOR STATISTICS

For the thirty SMSA's designated by EEOC: give sex and ethnic composition as of December 31, 1970, by EEO-1 job categories, job titles and departments.

REQUESTS FOR PRODUCTION OF DOCUMENTS

1. For each company: each collective bargaining agreement (including supplements) which was in effect January 1, 1960 and January 1, 1971.

2. For thirty cities: current job descriptions for all job classifications, including both management and non-management jobs.

3. For each current EEO-1 reporting unit, EEO-1 report as of December 31, 1970.

4. For thirty cities: for the thirteenth day of each month in the periods January 1968 - December 1968 and January 1970 - December 1970, copies of all classified ads, with specification of date, media, and column heading.

5. For each company: for the period July 1, 1964, to the present, copies of all internal memoranda relating to company policy conerning equal employment and advertising.

* * *

27. For each company: if a married woman takes maternity leave:
    (a) what is length of leave she may take?
    (b) does she have written reassurance of employment?

    (c) is she eligible for benefits during leave, under the Employees Pension Disability Benefits and Death Benefits plan?
    (d) is maternity leave compulsory as of any given time?

28. For each company: same as No. 27 for unmarried women who take maternity leave.

* * *

G.E. EXHIBIT NO. 33 - Motion of EEOC to Terminate FCC Proceedings.

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D. C. 20554

In the Matter of	)	
	)	
Petitions filed by the	)	DOCKET NO. 19143
EQUAL EMPLOYMENT	)	
OPPORTUNITY COMMISSION	)	
(EEOC) et al.	)	

MOTION TO TERMINATE PROCEEDINGS
(To be Acted Upon by the Commission)

The Equal Employment Opportunity Commission (EEOC), respectfully requests that Docket No. 19143 be terminated and that its complaint therein dismissed. In support whereof it is stated as follows:

1. On December 10, 1970, the EEOC filed a "Petition

for Intervention" in Docket No. 19129 wherein it opposed proposed revisions in tariffs filed by AT&T providing for increases in rates for long distance message telephone service. In its Petitition, the EEOC alleged that AT&T and the Bell companies engaged in systemwide discrimination in employment against women, blacks, Spanish-surnamed Americans, and other minorities in violation of the Communications Act of 1934, the Commission's Rules and Regulations, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, the Equal Pay Act of 1963, Executive Order No. 11246, and the fair employment practices acts of numerous states and cities. The Commission in a Memorandum Opinion and Order released January 21, 1971, rejected the EEOC's request that these allegations be considered in the context of Docket No. 19129. However, it set the EEOC charges for separate hearing in Docket No. 19143 on the basis that "the filing by the EEOC clearly alleges 'a general pattern of disregard of equal employment practices' pursuant to [the Commission's] Rules." 27 F.C.C.2d 309, 311 (1971).

2. American Telephone and Telegraph Company (AT&T) and its associated operating telephone companies (Bell companies) denied the charges of the EEOC and the other complaining parties and presented testimony showing the progress that had been made in the Bell System in the hiring and promotion of women and minorities.

3. Since the institution of this proceeding, AT&T and the Bell companies have made a number of changes in their recruiting, hiring, job placement, promotion and transfer practices which should result in greater opportunities for women and minorities. Also AT&T and the

Bell companies have adopted new Affirmative Action Programs which contain specific goals and timetables for women and minorities in major job categories. These plans, in conjunction with new Upgrading and Transfer Plans which AT&T and the Bell companies have also adopted, should further accelerate the progress Bell is making in an effective utilization of women and minorities in all job categories and at all levels.

4. For the past several months extensive negotiations have been engaged in by the EEOC, the U.S. Department of Labor and AT&T, on behalf of itself and the Bell companies, for the purpose of resolving many of the remaining controversies between the parties. These negotiations have resulted in an Agreement signed by representatives of AT&T and the Bell companies, EEOC and the U.S. Department of Labor, a copy of which is attached hereto as Exhibit A. By the terms of this Agreement the Bell companies have agreed to establish and make a good faith effort to reach revised goals for job classifications within each establishment where underutilization is determined to exist. They have agreed to provide opportunities for transfer or advancement for female and minority employees in particular job classifications and to make pay adjustments both for the past and the future.

5. The EEOC and the U.S. Department of Labor have agreed that if AT&T and the Bell companies comply with the terms of the Agreement, they will be in full compliance with the laws and regulations governing equal employment opportunity and equal pay for equal work which are covered in the Agreement.

6. The Agreement further provides for securing the resolution, to the extent feasible, of all pending litigation,

including this proceeding, conerning compliance by AT&T and the Bell companies with all laws and regulations concerning equal employment opportunity and equal pay for equal work.

7. In view of the foregoing, Petitioner believes that the goals of equal employment opportunity and equal pay for equal work can best be achieved by the termination of this proceeding. To the extent that any issues of compliance of Bell companies with equal employment laws remain unresolved, they can be more effectively dealt with outside this proceeding.

WHEREFORE, EEOC requests that Docket No. 19143 be terminated and its complaint be dismissed.

Respectfully submitted,

EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION

/s/ DAVID COPUS
David Copus
Attorney

January 19, 1973

- - - - - - - - - -

MEMORANDUM OF AGREEMENT

THIS AGREEMENT, made and entered into this 18th day of January, 1973, among the American Telephone and Telegraph Company, for itself and on behalf of its associated telephone companies (hereinafter collectively referred to as the Bell Companies),* the Equal Employment Opportunity Commission, and the U.S. Department of Labor,

WITNESSETH

WHEREAS there are certain currently outstanding equal employment opportunity and equal pay for equal work

* American Telephone and Telegraph Company
New England Telephone and Telegraph Company
The Southern New England Telephone Company
New York Telephone Company
New Jersey Bell Telephone Company
The Bell Telephone Company of Pennsylvania and The Diamond State Telephone Company
The Chesapeake and Potomac Telephone Company
The Chesapeake and Potomac Telephone Company of Maryland
The Chesapeake and Potomac Telephone Company of Virginia
The Chesapeake and Potomac Telephone Company of West Virginia
Southern Bell Telephone and Telegraph Company
South Central Bell Telephone Company
The Ohio Bell Telephone Company
Cincinnati Bell Inc.
Michigan Bell Telephone Company
Indiana Bell Telephone Company, Incorporated
Wisconsin Telephone Company
Illinois Bell Telephone Company
Northwestern Bell Telephone Company
Southwestern Bell Telephone Company
The Mountain States Telephone and Telegraph Company
Pacific Northwest Bell Telephone Company
The Pacific Telephone and Telegraph Company and Bell Telephone Company of Nevada

issues which are the subject of Equal Employment Opportunity Commission (EEOC) charges, government contract compliance reviews or pending litigation or investigations involving the Bell Companies, and

WHEREAS the Bell Companies deny that they have engaged in any discriminatory employment practices which constitute violations of federal laws, regulations or Executive Orders, and

WHEREAS the undersigned parties desire to resolve the aforesaid equal employment opportunity and equal pay for equal work issues and to assure the Bell Companies' compliance with applicable equal employment opportunity and equal pay for equal work laws and regulations with respect to such issues,

NOW THEREFORE, in consideration of the covenants herein expressed, it is mutually agreed as follows:

PART A

I. AFFIRMATIVE ACTION PROGRAMS

The Office of Federal Contract Compliance (OFCC) of the Department of Labor accepts, as consistent with the requirements of Revised Order No. 4, the American Telephone and Telegraph Company's (AT&T's) Model Affirmative Action Program, Upgrading and Transfer Plan, and Job Briefs and Qualifications, attached hereto as Exhibits A, B and C, respectively (said three exhibits being referred to herein as the "Model Programs"), subject to the clarifications and amplifications contained in this Agreement. The OFCC agrees that subject to the clarifications and amplifications contained herein, such Model Programs, if adopted and implemented without material deviation by individual Bell Companies for each of their respective establishments, shall be considered as complying with the requirements of Revised Order No. 4.

EEOC agrees that such Model Programs, as clarified and amplified herein, constitute a "bona fide seniority or merit system" within the meaning of Section 703(h) of Title VII and that employment decisions made in conformity with such Programs will comply with Title VII. Provided, however, that all individual Company programs embodying material deviations from such Model Programs and any material revisions of such programs resulting from the annual reviews thereof will be submitted to the OFCC and the EEOC prior to implementation by any Bell Company. Such programs shall be deemed accepted unless disapproved by the OFCC within 45 days from the date of submission, consistent with Section 718 of the Civil Rights Act of 1964 as amended.

II. GOALS AND TIMETABLES

A utilization analysis of each of the fifteen (15) Affirmative Action Program Job Classifications as defined in Section IV of the Model AAP (Exhibit A hereto) within each establishment will be conducted pursuant to 41 C.F.R. §60-2.11. For those job classifications wherein there exists a substantial salary range, such analysis shall specifically include reference to the relative distribution of minorities and women within such salary range. Each factor in 41 C.F.R. §60-2.11(a)(1) and (2) for which accurate and relevant data are available shall be considered. A goal will be developed for each of the 15 AAP job classifications within each establishment where underutilization is determined to exist pursuant to 41 C.F.R. §60-2.12. In a good faith effort to meet such goals, each Bell Company will establish intermediate targets for one, two and three-year time frames. At the end of each intermediate three-year time frame, the goal for each classification for which a goal has been set will be re-evaluated to determine whether underutilization still

exists, and the goals for each job classification will be adjusted or eliminated as appropriate. All goals and all intermediate targets and time frames for each Company and each establishment must be individually approved by the OFCC, and shall be submitted for approval to the OFCC within 120 days from the date of this Agreement, together with the relevant utilization analysis, including worksheets. Such goals, intermediate targets and time frames shall be deemed approved unless disapproved by the OFCC within 90 days of their submission, notwithstanding Section 718 of the Civil Rights Act of 1964, as amended. Worksheets shall include that portion of the goal which each establishment will make a good faith effort to achieve as intermediate targets – within stated time frames.

The foregoing utilization analysis, goals, intermediate targets, and time frames shall also by developed for males in the operator and clerical classifications as part of each Bell Company's program.

All goals and all intermediate targets and time frames, as approved by the OFCC, and as adjusted at the end of each intermediate time frame will promptly be submitted by each Bell Company to the appropriate collective bargaining representative of its employees.

III. TRANSFER, PROMOTION, LAYOFF AND RECALL

A. Each Bell Company agrees to offer each of its female and minority employees, in nonmanagement, noncraft jobs, who had four or more years of net credited service on July 1, 1971, and who expresses a desire for transfer as required by the appropriate upgrading and transfer plan or posting and bidding system to a job in AAP job classification 9 or 10, an opportunity to compete therefor with other employees on the basis of net

credited service and basic qualifications, as set forth in Exhibit C, if females or minorities currently are underutilized in such AAP job classification 9 or 10 and such employee is a member of the group which is underutilized. For purposes of this Agreement, "net credited service" shall mean total length of service with the operating company in which the vacancy occurs. Provided, however, that total length of service within the Bell System shall continue to be used for other purposes, including bridging rights, consistent with the provisions of the applicable Bell Company's collective bargaining agreement(s).

Provided further, each Bell Company and each collective bargaining representative of their employees shall be free to bargain to expand this definition of net credited service, for purposes of this Agreement, to mean total length of service with the Bell System.*

Where the term net credited service is presently defined in applicable collective bargaining agreements as length of service greater than that of the company into which the employee was last hired, definition of that term shall be unaffected by this paragraph.

B. In filling vacancies in AAP job classifications 6 and 7, candidates for promotion shall be evaluated on the basis of net credited service and best qualified, unless a lower standard of qualification is provided in a collective bargaining agreement or pursuant to Bell Company practices. However, if any Bell Company is unable to meet its intermediate targets within the stated time frames using these criteria, it will use only the criteria of net

---

* Employees returning from maternity leave do not have their service broken (absence in excess of 30 days will be deducted from net credited service).

credited service and a basic qualified criterion and, if necessary, will seek new hires who meet at least the basic qualified criterion. Efforts to achieve intermediate targets should be substantially uniform throughout the appropriate time frame. Each Bell Company agrees to notify the appropriate collective bargaining representative of its employees prior to promoting or transferring persons into AAP job classifications 6 and 7 on the basic of net credited service and basic qualifications.

C. Net credited service shall be used for determining layoff and related force adjustments and recall to jobs where nonmanagement female and minority employees would otherwise be laid off, affected or not recalled. Collective bargaining agreements or Bell Company practices shall govern the confines of the group of employees being considered. Provided, however, vacancies created by layoff and related force adjustments shall not be considered vacancies for purposes of transfer and promotion under this Section.

D. Minimum residency (time in title) requirements shall not be greater than the following, in the major job titles noted below:

1. Clerical; six-twelve months time in title;
2. Operator, six-twelve months time in title;
3. Service Representative, fifteen-eighteen months time in title;
4. Lower and Middle Craft, fifteen-eighteen months time in title;
5. Top Craft (Switchman, PBX Installer, PBX Repairman, Toll Test man, etc.) twenty-four - thirty months time in title.

Collective bargaining agreements or company practices which provide lower minimum residency requirements than those outlined above shall continue in effect.

IV. EMPLOYEE INFORMATION PROGRAM

A. Each Bell Company agrees to inform its employees who are affected by the provisions of this Agreement, and the appropriate collective bargaining representatives of its employees of the terms thereof in a manner approved by AT&T, EEOC and OFCC.

B. Each Bell Company will, with respect to each of its transfer bureaus, provide a quarterly notice to non-management employees served by such transfer bureau and to any collective bargaining representative representing such employees of the projected number of job opportunities by the major job titles (e.g., installer, lineman) set forth in the Job Briefs contained in Exhibit C hereto, in his or her transfer bureau for the balance of the calendar year and the number of jobs filled during the previous quarter by net credited service date, date of transfer, job title, EEO-1 minority designation, sex, and last previous job assignment.

V. TESTING

Each Bell Company reserves the right to utilize test scores on validated tests along with other job-related considerations in assessing individual qualifications. However, each Bell Company agrees that it shall not rely upon the minimum scores required or preferred on its pre-employment aptitude test batteries as justification for its failure to meet its intermediate targets for any job classification.

VI. PROMOTION PAY PLAN

Each employee promoted from one nonmanagement job to another with a higher basic maximum rate of pay, shall have his or her rate of pay in the higher rated job determined as follows:

The employee shall be placed on the step of the new wage table as determined by allowing the employee full wage experience credit, both in progression and at maximum, on the old wage table, but shortened in 1970 or 1971 collective bargaining, then the wage experience credit allowance shall be used.

4. Current promotion pay practices which provide more favorable treatment than the procedure outlined above shall continue in effect.
5. Modification of Plan for Promotion from Simple to Complex Line Assigning

Employees who have work experience in simple plant line assigning (not including clerks whose duties do not require that they use cable books to locate available cable pairs) and are promoted to complex line assigning (Top or Second Craft) will be treated as follows:

a. Those with over four years of wage experience credit or net credited service (as provided in note 3 above), at least one year of which is simple plant line assigning experience, upon promotion will receive wage experience credit on the new wage schedule equal to their wage experience credit or their net credited service (as provided in note 3 above).
b. Employees to whom paragraph (a) is not applicable will be accorded promotion pay under the basic promotion pay plan described above.

VII. COLLEGE GRADUATE FEMALES HIRED DIRECTLY INTO MANAGEMENT

In each Bell Company (other than Cincinnati Bell Inc., which did not have an Initial Management Development Program (IMDP) at any time between July 2, 1965, and December 31, 1971, and The Bell Telephone Company of Pennsylvania, which has heretofore satisfactorily resolved issues respecting female college graduate management hires):

A. Four-year college graduate female employees hired directly into management other than IMDP between July 2, 1965, and December 31, 1971, with the exception of those thereafter placed in IMDP or who were offered placement in IMDP and declined, will be surveyed to determine their interest in promotion to District level (third level) and above management positions. Provided, however, that any Bell Company may during the thirty-day period following execution of this Agreement and entry of the decree provided for in Part C., Section I.A., present to the EEOC and OFCC data indicating that an IMDP program was not underutilizing women during any year or years between July 2, 1965, and December 31, 1971. Upon presenting such data, this Section VII shall be inapplicable to four-year college graduate women hired directly into management for those years during which underutilization did not exist in the IMPD program in question. For purposes of this paragraph only, an absence of underutilization shall mean 25% of all enrollees in an IMDP program. The parties agree that failing agreement as to whether an IMDP program or an individual should be excluded from the application of this Section such determination shall be submitted to the Court for final and binding adjudication under the decree.

B. Those employees who are found to be interested will be scheduled for a two-to-three day assessment at a management center to evaluate their potential for promotion to District level. This assessment will be conducted under procedures outlined by AT&T and will be completed to the extent possible within twelve months of the date of the execution of this Agreement. Those employees assessed as satisfactory and who are below second level will be candidates for promotion to second level as vacancies occur and will be added to the District level potential list. Those employees assessed as satisfactory and who are at second level at the date of assessment will be candidates for promotion to District level as vacancies occur. Prior to promotion, both these second level and below second level employees may be reassigned for further developmental experience preparatory to promotion.

C. AT&T agrees to provide the EEOC and OFCC with descriptions of the criteria employed in making such assessments and on request will provide data at reasonable intervals on the number of persons evaluated and rated satisfactory; provided, however, the foregoing assessment procedure may not be relied upon as a defense by any individual Bell Company for its failure to reach the intermediate targets for those job classifications for which such procedures are used.

D. Those employees evaluated under paragraphs A and B of this Section VII. who do not receive a satisfactory rating will return to their current assignments and their assessment rating will not be entered into their permanent personnel file.

VIII. PAY ADJUSTMENTS

A. Nonmanagement Jobs.

Employees promoted prior to January 1, 1973, will have their rate of pay adjusted as of the first pay period after January 1, 1973, to the rate they would have achieved if the promotion pay plan described in Section VI above had been in effect at the time of their promotion.

B. Craft Jobs Only.

1. In recognition of alleged claims of possible discrimination in compensation:

a. Except for Switchroom Helpers at Michigan Bell Telephone Company (Michigan Bell), back wages shall be accorded those female employees who were resident in AAP job classifications 6, 7, 9 and 10 at any time during the period January 1, 1971, to December 31, 1972, as follows:

Each such employee shall be paid an amount equal to the difference between the amount which was paid to her under the promotion pay plan in effect at that time, and that which would have been paid to her during the period from January 1, 1971, to December 31, 1972, had the promotion pay plan described in Section VI above been in effect at the time of her promotion and for the period of time such employee was resident in a position in AAP job classifications 6, 7, 9 or 10.

b. In order to bring the minimum and maximum rate of pay of Switchroom Helpers at Michigan Bell into the range for the Frameman job in other Bell Companies, the rates for such job will be increased by means of the following formula to be

effective the beginning of the first pay period following January 1, 1973.

	Present Minimum Rate	Present Minimum Rate	Proposed Minimum Rate	Proposed Minimum Rate
Zone 1	$124.50	$157.00	$127.50	$169.50
Zone 2	117.00	$153.50	119.00	166.00
Zone 3	111.00	151.00	113.50	161.50
Zone 4	109.00	149.50	111.50	159.00

Michigan Bell will establish new wage schedules similar to those in effect for the Frameman job in other Bell Companies to reflect these minimum and maximum rates of pay.

Michigan Bell will pay to Switchroom Helpers who were so classified during any part of the period from January 1, 1971, to December 31, 1972, the difference between what they earned had the wage schedule set forth in the columns "Present Maximum Rate" and "Present Minimum Rate" been in effect during the period January 1 1971, to December 31, 1972, and what they would have earned had the wage schedules been those set forth in the columns "Proposed Maximum Rate" and "Proposed Minimum Rate."

2. In recognition of alleged claims of possible delay in promotion in nonmanagement jobs because of discrimination, lump sum payments shall be made to each female and minority employee in each establishment where there exists in his or her respective job classification an underutilization of the group of which he or she is a member, who meets the following criteria:

a. had four or more years' net credited service on July 1, 1971;
b. has been or will be promoted from nonmanagement, noncraft jobs into AAP job classifications 6, 7, 9 and 10 subsequent to June 30, 1971, and prior to July 1, 1974; and
c. remains in that job or another job in AAP job classifications 6, 7, 9 and 10 for a total of more than six months.

Those employees meeting the criteria listed in a), b) and c) will receive lump sum payments in accordance with the following schedule (it being understood that a female minority employee shall be entitled to receive only one lump sum payment).

PROMOTION DATE	PAYMENT
7/1/71 through 12/31/71	$ 100
1/1/72 through 12/31/72	200
1/1/73 through 12/31/73	300
1/1/74 through 6/30/74	400

In the event that on July 1, 1974, at least ten thousand (10,000) employees have not received payments pursuant to this Section VIII.B.(2), the Bell Companies will extend the date until 10,000 employees have been paid. All payments after July 1, 1974, shall be at the rate of $400.

C. Management Jobs.

Those employees who are assessed as satisfactory pursuant to Section VII above will have their salary increased $100 per month as of their assessment date or September 1, 1973, whichever is earlier.

D. Limitation on Recovery

No individual who has received back pay and/or individual relief under a prior settlement agreement, conciliation, or consent decree shall be elibigle to receive back pay or individual relief with respect to the same claim of discrimination as a result of this Agreement.

PART B

I. PROCEDURE FOR RESOLVING EEOC CHARGES

A. It is the intent of the parties that, to the extent feasible, all charges of employment discrimination under Title VII will be resolved in a manner consistent with the principles set forth in this Agreement and the Decree provided for in Part C, Section I.A. To this end, upon the execution of this Agreement, the EEOC will:

1) Assert jurisdiction over all matters which have have been pending before state or local agencies designated as deferral agencies pursuant to Section 706 of Title VII of the Civil Rights Act of 1964, as amended, for more than the minimum deferral period and which have been the subject of charges filed with the EEOC.

2) With respect to charges on which "notice of right to sue" letters have been issued within the 90 days immediately preceding the date of this Agreement, or may be issued subsequent thereto, contact the charging parties, through their attorneys or otherwise, and urge them to agree to a settlement consistent with the principles set forth in the Agreement and Decree.

B. In order to facilitate conciliation of charges filed with the EEOC during the life of the Decree provided for in Part C., Section I.A.:

1) Beginning within 60 days from the date of this Agreement and weekly thereafter, EEOC will provide AT&T with copies of all charges not yet served on Bell Companies and with separate lists for each Bell Company of all charges (a) pending, (b) settled, (c) administratively closed, and (d) in which notices of right to sue have been issued.

2) Beginning within 60 days from the date of this Agreement, AT&T or the Bell Company involved will supply EEOC with proposals for settling charges which any individual Bell Company is prepared to settle.

3) Beginning within 60 days after such proposal is submitted to EEOC, AT&T or the Bell Company involved and EEOC will seek to resolve through conciliation any charge for which a settlement has been proposed.

C. The EEOC and Department of Labor further agree:

1) That they will not, in any claim, action or proceeding (including rate cases), involving any of the Bell Companies, initiate encourage, fund, intervene in support of or advocate by *amicus* brief or otherwise, a position inconsistent with the Agreement or the Decree.

2) That EEOC will advise its Regional and District offices, as well as state and local agency grantees, and the Department of Labor will advise its Regional and District offices and contract compliance agencies, that the Decree will bring the Bell Companies into compliance with Title VII, the Equal Pay Act, and

Executive Order 11246 requirements as to the issues identified in the Decree and that, to the limit of EEOC's contractual power to insure such a result, such Companies shall not be the subject of enforcement programs funded by EEOC, as to the matters covered therein.

3) That any actions taken by EEOC Regional or District offices or Department of Labor Regional or District offices or OFCC field offices which any Bell Company believes to be inconsistent with the terms of the Agreement or Decree may be brought to the attention of the national headquarters of the EEOC, Department of Labor, or OFCC, as appropriate and such national headquarters shall become the party with whom such Bell Company may resolve such compliance issues.

II. PROCEDURE FOR RESOLVING EQUAL PAY AND CONTRACT COMPLIANCE QUESTIONS

It is the intent of the parties that, to the extent feasible, all questions of the Bell Companies' further compliance with the Equal Pay Act of 1963 and Executive Order 11246 will be resolved without the need for administrative proceedings or litigation. The parties also agree that should the Department of Labor or the designated compliance agency conclude that a Bell Company is violating the Equal Pay Act or the Executive Order and that it is unable to resolve such matter with that Company it will inform AT&T and give the latter 30 days in which to seek a resolution of such matter.

III. SETTLEMENT OF PENDING LITIGATION

It is the intent of the parties to secure the resolution, to the extent feasible, of all outstanding employment

discrimination cases involving each Bell Company's compliance with Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Acts of 1866 and 1871, and the Equal Pay Act of 1963, consistent with the principles set forth in this Agreement and the Decree.

A. The Michigan Bell case will be settled by a stipulation of dismissal. Michigan Bell will be a party to this agreement, provided that the statute of limitations cutoff date in that case shall be used for the calculation of back wages for Michigan Bell craftswomen.

B. In cooperation with the Department of Labor, AT &T will use its best efforts to achieve a settlement in the New England Telephone and Telegraph Company case.

C. Each Bell Company further agrees that within 90 days after the execution of this Agreement, it will advise the EEOC of those cases which it believes can be resolved in whole or in part consistent with the terms set forth in the Agreement and Decree. If requested by all parties to such a case, EEOC will offer conciliation services to facilitate such a resolution.

PART C

I. CONSENT DECREE

A. The provisions of this agreement shall not become effective until such time as they are embodied in the Consent Decree attached hereto to be entered simultaneously with the execution of this Agreement in a United States district court, designated by the parties, originating in an action brought by the EEOC pursuant to Sections 706(f) and 707(e) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e, *et seq.*, by the Secretary of Labor under the Equal Pay Act of 1963, Section 6(d) of the Fair Labor Standards Act of 1938, as amended, 29

U.S.C. §206(d), and by the United States pursuant to Executive Order 11246, as amended.

Such Decree shall provide for the retention of jurisdiction by the Court to enter such orders as are necessary to effectuate the provisions of the Agreement and shall state that the life of the Decree shall be limited to six years, except that as to the issues in Part A, Sections VI, and VIII the Decree shall provide that the Bell Companies are permanently enjoined from violating the Equal Pay Act. Provided that AT&T and each Bell Company retains its right to move for dissolution or modification of the Decree as to such Company. Provided further, that should either opinion letter, provided for in Part C, Section II of this Agreement or any portion of such letters be withdrawn or overruled, the Bell Company affected by such withdrawal or overruling may move the Court to dissolve any portion of the Decree which involves the issue or issues with respect to which the opinion letter has been withdrawn or modified, and to strike any portion of the pleadings in this action relevant thereto, and such motion shall be granted.

B. By entering into this Agreement and accepting the Consent Decree referred to in Part C, Section I.A., the Bell Companies do not make any admission that they have engaged in any discriminatory employment practices or other practices which constitute violations of the Federal laws, regulations or Executive Orders set forth in Part C, Section I.A.

II. OPINION LETTERS

Pursuant to this Agreement, and simultaneous with its execution, the Wage and Hour Administrator of the Department of Labor, in conformity with the requirements of 29 C.F.R. §§790.13 and 790.17, shall issue an opinion

letter dealing with the pay practices set forth in Part A, Sections VI and VII, as respects compliance with the provisions of the Equal Pay Act of 1963. In addition, the General Counsel of EEOC, in conformity with the requirements of Section 713(b) of the Civil Rights Act of 1964, as amended, and 29 C.F.R. §§ 1601.28-1601.30, shall issue an opinion letter dealing with the employment practices set forth in Part A, Sections III, IV, VI, and VIII, as respects compliance with the provisions of Title VII of the Civil Rights Act of 1964, as amended.

III. DURATION OF AGREEMENT – DISMISSAL OF DOCKET NO. 19143

A. The provisions of this Agreement shall become effective upon the entry of the Decree provided for in Part C., Section I.A. and shall terminate as to each Bell Company at the time that such Decree shall terminate as to such Company.

B. It is the intent of the parties that this Agreement shall result in the dismissal of Docket No. 19143 which is presently pending before the Federal Communications Commission (FCC). Upon the execution of this Agreement, the EEOC will move for the dismissal of Docket No. 19143. The EEOC will undertake to secure the concurrence of all intervening parties, to such dismissal.

IV. INDIVIDUAL RELIEF

A. The payments or adjustments for individual relief set forth in Part A, Section VIII of this Agreement, shall not be made until such time as the opinion letters referred to in Part C, Section I.C., have been issued, the Decree described in Part C, Section I.A. has been entered and Docket No. 19143 has been dismissed.

B. The Bell Companies may require that acceptance by any person of individual relief pursuant to the terms of Part A, Section VIII. shall constitute a waiver and release by such person of any claims for alleged violations of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§1981, 1983, Executive Order 11246, or any applicable state fair employment practice laws or regulations based upon occurrences prior to the date of this Agreement and the Decree, and such person shall sign a waiver of such claims as a condition to receipt of such individual relief.

V. COMPLIANCE PROCEDURE

A. As to the issues identified in the Decree provided for in Part C., Section I.A., compliance with the terms thereof resolves all questions of the Bell Companies' compliance, for acts or practices occurring prior to the date of this Agreement, with the requirements of Title VII of the Civil Rights Act of 1964, as amended, the Equal Pay Act of 1963, and Executive Order 11246. Moreover, compliance with the terms of the Decree in the future will constitute compliance with such laws, orders, and regulations as respects those issues dealt with in the Decree.

B. The EEOC will make reasonable cause determinations of charges filed against Bell Companies within the life of the Decree and to the extent that they relate to issues identified therein on the basis of whether or not the practices complained of violate the terms of the Decree. In the event that the EEOC determines that there is reasonable cause to believe that the Decree is being violated, it shall follow the compliance procedure as set forth below.

C. The government plaintiffs shall endeavor to coordinate their efforts to assure compliance with the Decree

and shall develop such procedures as may be appropriate to this end.

D. The government will promptly notify the Bell Company involved and AT&T of any complaints of noncompliance. Such Company will be given 60 days to investigate the complaint and conciliate with the government regarding the appropriate corrective action to be taken. At the end of this period, the government, if not satisfied may seek an appropriate judicial resolution of the question.

E. Each Bell Company is to be responsible for its compliance with the terms of the Agreement or Decree. The responsibility of AT&T, apart from responsibility for the compliance of its own departments, shall be limited to: (1) in case of an irreconcilable conflict between the government and an individual Bell Company, to use its good offices to aid in achieving a resolution of such conflict; (2) the provision of advice to its associated telephone companies as to the meaning of the Agreement or Decree and procedures for compliance; (3) where appropriate, the coordination of reports required by the terms of the Agreement or Decree; and (4) the provision of assistance on the development of the management assessment procedure provided in Part A. Section VII.

VI. REPORTING

A. EEOC and OFCC will each receive summaries of the information compiled pursuant to Part A, Section IV.B. by each Bell Company for each of the first two full calendar quarters following the execution of this Agreement and annually thereafter during the duration of the Decree provided for in Part C, Section I.A. These quarterly and annual compilations will be forwarded in duplicate within 45 days subsequent to the second

full calendar quarter following the execution of this Agreement and within 45 days after the close of each calendar year, respectively.

B. During the term of this Agreement or the Decree provided for in Part C, Section I.A., except for the requirements of 29 C.F.R. Part 516, the filing of EEO-1 reports and reports required pursuant to the equal employment rules of the Federal Communications Commission (FCC), 47 C.F.R. §§1.815, 21.307, and 23.49, or such other reports of general application which are hereafter promulgated by EEOC, FCC, or the Department of Labor, the reports required by Part C, Section VI.A. of the Agreement will be exclusive, and the Bell Companies shall not be required to file any additional reports or, except as noted below,* submit to any compliance reviews with respect to obligations under the laws listed in Part C., Section I.A.

VII. COLLECTIVE BARGAINING AGREEMENTS

This Agreement shall not be interpreted as requiring or permitting the abandonment of any provision in any Bell Company's collective bargaining agreement(s) except as required to maintain compliance with Federal law, Executive Orders and regulations promulgated pursuant thereto pertaining to discrimination in employment. The government asserts that all of the Bell Companies' obligations in this Agreement are required for compliance with Federal law; provided, however, that nothing in this Agreement

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* The above provision concerning compliance reviews shall not apply to investigations of charges by the EEOC pursuant to Section 706(b) of Title VII and to investigations pursuant to Section 11(a) of the Fair Labor Standards Act.

is intended to restrict the right of the Bell Companies and the collective bargaining representatives of their employees to negotiate alternatives to the provisions of this Agreement which would also be in compliance with Federal law.

To the extent that any Bell Company has in effect, in connection with the promotion and transfer of employees, a posting and bidding system, or other system, said system shall continue to be used. Provided, however, that such system will be modified to the extent necessary to conform with PART A, Section III of the Agreement.

Each Bell Company agrees that it will notify all appropriate collective bargaining representatives of the terms of this Agreement and of its willingness to negotiate in good faith concerning these terms.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective representatives on the day and year first above written.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY, for itself and on behalf of its associated telephone companies as set forth herein.

By /s/ David Easlick
David Easlick, Vice President

THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

By /s/ William H. Brown III
William H. Brown III, Chairman

THE U.S. DEPARTMENT OF LABOR

By /s/ Richard F. Schubert
Richard F. Schubert, Solicitor of Labor

/s/ William Kilberg
William Kilberg, Associate
Solicitor of Labor

/s/ Carin Ann Clauss
Carin Ann Clauss, Associate
Solicitor of Labor

G. E. EXHIBIT NO. 35

Complaint in Communication Workers of America, AFL-CIO, et al., v. Illinois Bell Telephone Company, filed 4-13-73, in the Northern District of Illinois, Eastern Division, Case No. 73C-9599.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

COMMUNICATION WORKERS OF AMERICA, AFL-CIO; ROSE MARIE BYARD and JEWEL WHITE; individually and on behalf of all similarly situated female employees of Illinois Bell Telephone Company,

Plaintiffs,

—vs—

ILLINOIS BELL TELEPHONE COMPANY,
Defendant.

CIVIL ACTION
NO. 73C 959

COMPLAINT

Now come Plaintiffs by their attorneys and complain of Defendant as follows:

Count I

1. This is a class action authorized and instituted pursuant to Title VII of the Civil Rights Act of 1964, 42

U.S.C. §2000e et seq. as amended (hereinafter referred to as "The Act"). Jurisdiction of the Court is invoked pursuant to 28 U.S.C. §1343(4), 42 U.S.C. §2000e-5(f), 28 U.S.C. 2201 and 2202 and 42 U.S.C. §1981.

2. Plaintiffs bring this action on their own behalf and on behalf of other persons similarly situated pursuant to Rule 23 of the Federal Rules of Civil Procedure. The class which Plaintiffs represent is composed of females who are employed or who were employed since July 2, 1965, but are no longer employed, or who might be employed, by Defendant Illinois Bell Telephone Company, an Illinois corporation in their facilities or operations in Chicago, Illinois and in other locations in the State of Illinois, who have been, are, and who will or may be adversely affected by the practices complained of herein. There are common questions of law and fact affecting the rights of the members of this class who are and who continue to be limited, classified, and discriminated against in ways which deprive and tend to deprive them of equal employment opportunities and otherwise adversely affect their status as employees and union members because of sex. These persons are so numerous that joinder of all members is impracticable. A common relief is sought, except as to the amount of damages suffered by each individual member of the class. The claims of the representative parties are typical of the class; the interests of said class are adequately represented by Plaintiffs. The questions of law or fact common to the members of the class predominate over any questions affecting only individual members. Defendant has acted or refused to act on grounds generally applicable to the class, and a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. This is a proceeding (a) for a declaratory judgment

as to the rights of the parties, (b) for a preliminary and permanent injunction, restraining and enjoining Defendant from maintaining a policy, practice, custom, or usage of discriminating against Plaintiffs and other female members of this class because of sex, including discrimination in the treatment of female employees who are unable to work or who are absent from work due to pregnancy or childbirth or complications resulting therefrom as compared to employees who are absent due to other forms of temporary disabilities, and such other forms of discrimination on account of sex which are in violation of the Act, with respect to compensation, terms, conditions, and privileges of employment and limiting, segregating, and classifying employees of the Defendant, who are members of the class described in paragraph 3 above in ways which deprive or tend to deprive the individual Plaintiffs and other female persons in this class of equal employment opportunities and otherwise adversely affect their status as employees because of sex, and (c) for monetary and other appropriate relief.

4. Plaintiffs Rose Marie Byard and Jewel White are female citizens of the United States and are residents of Chicago and other communities, in the State of Illinois. Plaintiffs are or have been employed by the Defendant at its various locations and operations in and around the City of Chicago and in many other areas in the State of Illinois.

5. Defendant Illinois Bell Telephone Company does business in the City of Chicago, State of Illinois, and in many other locations in the State of Illinois. It is engaged in the installation, operation and maintenance of telephone equipment and related types of communications equipment and in the sale of various kinds of communications services, and is an employer within the meaning of 42 U.S.C. §2000e-(b) or (c) in that it is enaged in an industry affecting commerce and employs many thousands of persons.

6. Plaintiff, Communications Workers of America, AFL-CIO (hereinafter referred to as "C.W.A.") is a person within the meaning of 42 U.S.C. §2000e(a) and it is a labor organization within the meaning of 42 U.S.C. §2000e(d) and (e) in that it is engaged in an industry affecting commerce and exists, in whole or in part, for the purpose of dealing with employers, including the Defendant, concerning grievances, labor disputes, wages, rates of pay, hours, and other terms or conditions of employment of the employees of the Defendant at its plants and other facilities in and around the City of Chicago and elsewhere in the State of Illinois. Communications Workers of America, AFL-CIO, has many thousands of members, including many thousands of female members employed by the Defendant.

7. At all times since July 2, 1964, and continuing until the present time, the Defendant has promulgated and maintained a policy, practice, custom, and usage made unlawful by Title VII of the Civil Rights Act of 1964, as amended, of limiting the employment opportunity of female employees of the Defendant because of sex, in that the Defendant has since the passage of the Act consistently discriminated against females as a class, including the individual Plaintiffs, and the members of the class described in paragraph 2 above, by failing to provide equal benefits, rights and privileges to females under temporary disability due to pregnancy or childbirth or complications resulting therefrom as are made available by the Defendant to male employees under temporary disability. The discriminatory policy, practice, custom and usage involve the commencement and duration of leave, the availability of extensions, the accrual of seniority and other benefits and privileges, reinstatement, and payments under health or disability insurance or sick leave plans, and other terms

or conditions of employment, concerning which the Plaintiffs and the class they represent suffer discriminatory treatment by reason of their sex.

8. Each of the individual Plaintiffs, and each member of the class represented by them, has suffered and will continue to suffer irreparable harm by reason of the illegal conduct of the Defendant. Plaintiffs have no plain, adequate or complete remedy at law to redress the wrongs alleged herein unless this Court affords them the equitable relief prayed for.

9. On or about April 25, 1972, Plaintiff C.W.A. filed a charge with the Equal Employment Opportunity Commission (referred to as EEOC) alleging the aforesaid unfair employment practices. Said charge was also duly deferred to the Fair Employment Practices Commission of the State of Illinois in accordance with the provisions of the Act. On or about August 31, 1972 the Director of the Chicago District Office of the EEOC issued his "District Director's Findings of Fact" finding that the Defendant's policy does not afford female employees the same benefits for maternity or pregnancy as are provided for other temporary disabilities. On or about March 20, 1973 the EEOC notified the Plaintiffs that Defendant's compliance with the Act had not been accomplished within the period allowed to the EEOC by Title VII of the Act and that pursuant to the Act a civil action could be instituted in the appropriate United States District Court.

WHEREFORE, Plaintiffs respectfully pray that this Court advance this case on the docket, order a speedy hearing at the earliest practical date, and, upon such hearing,

(a) Declare the rights of the parties, finding that the aforesaid practice, policy, usage and conduct of the Defendant is violative of the Act;

(b) Grant Plaintiffs and the class they represent a preliminary and permanent injunction enjoining Defendant from conduct violative of the Act;

(c) Order Defendant by mandatory injunction to take such affirmative actions as are necessary to assure that the effects of said violations are eliminated and do not continue to adversely affect the employment rights of Plaintiffs and the class they represent;

(d) Order Defendant to provide monetary relief including backpay to any of the Plaintiffs or members of the class they represent for monetary losses sustained by them by reason of the violations of the Act by Defendant;

(e) Order Defendant to pay Plaintiffs' costs in this action;

(f) Order the Defendant to pay a reasonable attorneys' fee; and

(g) Order such other and additional relief as to the Court seems necessary or proper.

/s/ Irving M. Friedman
IRVING M. FRIEDMAN
HAROLD A. KATZ
CHARLES V. KOONS

KATZ & FRIEDMAN
7 South Dearborn Street
Chicago, Illinois 60603
312/263-6330

KANE & KOONS
1100 Seventeenth Street, N.W.
Washington, D.C. 20036
202/659-2044

Of Counsel

GE EXHIBIT NO. 36

LIBRARY OF CONGRESS REGULATIONS

dated 3/8/71 re: Sick Leave, LCR 2015-5.

Subject: Sick Leave

A. *Accrual of Sick Leave.* All staff members will earn 4 hours of sick leave for each bi-weekly pay period to be credited at the beginning of the pay period in which it is earned. There is no qualifying period for the use of sick leave.

B. *Grant of Sick Leave.* Sick leave shall be granted by designated supervisors when staff members are incapacitated for the performance of their duties by sickness, injury, pregnancy and confinement, or for medical, dental, or optical examination or treatment, or when a member of the immediate family of the staff member has a contagious disease (see LCR 2015-2, Section 2.E.) and requires the care and attendance of the staff member, or when, through exposure to contagious disease, the presence of the staff member at his post of duty would jeopardize the health of others.

C. *Application for Sick Leave.* Staff members who are sick shall be responsible for notifying their supervisors as soon as possible of their illness and the date they expect to return to duty. If it is impossible to estimate the date of return when reporting an absence covered by sick leave, it is the staff member's responsibility to provide such estimate without delay when a forecast is possible. Written application for sick leave shall be filed on the prescribed form when he returns

to duty. Requests for sick leave for medical, dental, or optical examinations shall be submitted for approval in advance.

D. *Supporting Evidence.* Where absence from duty exceeds three workdays, it must be supported by a medical certificate or a statement, signed by the staff member, stating the reasons why he did not have a physician, which must be filed within 5 days after return to duty. Applications for sick leave for a staff member to care for a member of his immediate family having a disease requiring isolation, quarantine, or restriction of movement, or when the staff member is required to be absent because of exposure to contagious disease, require a statement from the local health authorities or a physician indicating the period of isolation, quarantine, or restriction of movement of the patient. The division chief shall determine whether the statement of the staff member in lieu of a medical certificate shall be considered sufficient evidence to support the request for sick leave. Upon recommendation of the division chief, and with the approval of the Director of Personnel, staff members may be required to furnish medical certificates for absences of three workdays or less.

E. *Sickness During Annual Leave.* When sickness occurs while a staff member is on annual leave, the period of illness may be charged as sick leave, subject to the provisions of D. above. In such cases a medical certificate must be submitted. Dental, physical or optical examinations requiring a total of less than one day and occuring during a time when the staff member is on annual leave shall not be converted to sick leave, however.

(Supersedes May 3, 1962 issuance of page 1 of LCR 2015-5)

F. *Advance of Sick Leave.* In cases of serious disability or ailment, staff members with other than temporary status may be granted sick leave in advance of its accrual, up to a total of 30 days; in granting such advance sick leave the following facts shall be taken into consideration:

* * * * *

Sick leave shall not be advanced in maternity cases (see LCR 2015-13) or in instances in which a staff member is absent because a member of his family has a contagious disease.

* * * * *

G.E. EXHIBIT NO. 37
Dept of Health, Education and Welfare
Employee Leave Benefits, dated 11/22/65,
Chapter IV, Guide 5, Supp. 1.

Page 12 13 *Advance of Sick Leave*

a. Sick leave up to 30 days may be advanced in case of serious disability or ailment, and when required by the exigencies of the situation. The leave-approving officer must determine that the illness is serious and that an exigency exists. Usually the approving official for advance sick

* * *

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b. Sick leave cannot be advanced for pregnancy or confinement, exposure or care for a person with a contagious

disease, or when it is likely the employee will retire, be separated or resign before the advance leave will be earned. There must be a reasonable expectation that the employee will return to duty.

* * *

Page 24 23. *Maternity Leave*

b. Normally the period of absence for maternity reasons is about 14 weeks—6 weeks before expected date of delivery, unless an operating agency head establishes by regulation that a longer period of incapacitation is normal in his agency for types of positions of a strenuous or physically exacting nature. This is referred to hereafter as the "usual presumed" period of incapacitation. It is Department policy not to continue the employee in duty status during the actual or "usual presumed" period of incapacitation. She may be permitted to work during

* * *

G. E. EXHIBIT NO. 38

Petition of EEOC for Suspension, Hearing, Intervention and Declaration of Unlawfulness, filed with FCC in matter of AT & T, Revision of Tariff FCC No. 263,

* * * BEFORE THE * * *
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D. C. 20554

* * *

PETITION FOR SUSPENSION, HEARING, INTERVENTION AND DECLARATION OF UNLAWFULNESS

The Equal Employment Opportunity Commission (EEOC) Files this Petition pursuant to 47 C.F.R. §§ 1.773, 23.49(e)(1)(iv) and 23.49 (e)(2).

The petitioner, EEOC, shows:

1) That EEOC is the federal agency charged with administering Title VII of the Civil Rights Act of 1964, 42 U.S.C. §2000e *et seq.* The post office address of the EEOC is 1800 G Street, N.W., Office of the Chairman, Washington, D. C. 20506.

2) That American Telephone and Telegraph Company (hereafter, AT&T) is a holding corporation controlling twenty-four operating companies, which are communications common carriers providing telephone and telegraph services to the public under a government-sactioned monopoly. The post office address of AT&T is 32 Avenue of the Americas, New York, New York,

3) That AT&T, Long Lines Department, has filed changed tariff material, bearing Tariff FCC No. 263, proposing a rate increase for long-distance telephone calls, effective January 21, 1971, for the twenty-four operating companies controlled by AT&T. This rate increase is designed to produce additional annual net earnings of $250 million before income taxes.

4) That the proposed rate increase constitutes a rate established by the Commission and as such is unlawful in that it has been established without following the procedures required by 47 U.S.C. §205, 54 U.S.C. §§551(4)(5), 553(b), 556(d), 552(a)(1)(B), 552(a)(1)(E).

5) That no "good cause" has been shown why the proposed rate increase should be effective prior to 60 days notice as required by 47 U.S.C. §203(b) and 47 C.F.R. §61.58 and that no application for waiver or modification of the notice requirements has been made by AT&T as required by 47 C.F.R. §61.151.

6) That AT&T's operating companies engage in pervasive, system-wide, and blatantly unlawful discrimination in employment against women, blacks, Spanish-surnamed Americans, and other minorities. Such discrimination violates the following laws, regulations, and orders:

a. Sections 201(b), 202(a), 214, 501, and 502 of the Federal Communications Act of 1934, 47 U.S.C. §§201(b), 202(a), 214, 501, and 502;

b. 47 C.F.R. §§23.49(a), (b), and (c);

c. Sections 703(a) and 703(d) of Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§2000e-2(a) and 2000e-2(d);

d. The Equal Pay Act of 1963, 20 U.S.C. §206(d)(1);

e. Executive Order 11246, 30 F.R. 12,319 (1965), as amended by Executive Order 11375, 32 F.R. 14303 (1967);

f. The Civil Rights Act of 1866, 42 U.S.C. §1981;

g. The Fair employment practice acts of approximately 30 states and the District of Columbia;

h. The fair employment practice ordinances of numerous large cities; and

i. (illegible)

7) That because AT&T's Operating companies engage in pervasive and unlawful discrimination in employment against women, blacks, Spanish-surnamed Americans, and other minorities, any rate increase proposed and filed by AT&T with the Commission is unjust and unreasonable, in violation of 47 U.S.C. §§201(b) and 202(a). Pursuant to 47 U.S.C. §§154(i), 204, 205 and 47 C.F.R. §23.49(e)(2), the Commission is under a statutory obligation to find any proposed rate increase unjust and unreasonable, and to declare it unlawful.

8) That the AT&T system is a government-sanctioned monopoly, whose market and profits are quaranteed by the United States government and whose practices are otherwise extensively regulated by the government. Under these circumstances, approval by the Commission of any proposed rate increase constitutes a denial of due process of law under the Fifth Amendment to the United States Constitution to those women, blacks, Spanish-surnamed Americans, and other minorities who are subject to the discriminatory practices of AT&T's operating companies. Therefore, the Commission has a constitutional obligation to declare illegal any proposed rate increase.

9) That the EEOC incorporates herein by reference the entire Memorandum in Support of EEOC Petition to Intervene previously filed under Transmittal No. 10989.

10) That the EEOC incorporates by reference the entire Request For Further Relief previously filed by the EEOC in regard to Transmittal No. 10989.

11) That this Petition is *NOT* a formal complaint as allowed by 47 C.F.R. §1.721.

12) Then, as required by Rule 18 of the Federal Rules of Appellate Procedure, Petitioner hereby requests that, if this Petition is denied in whole or in part, the Commission stay its decision or order pending direct review in the appropriate United States Court of Appeals.

Wherefore, EEOC asks that the Commission require 60 days notice for any proposed rate increase, suspend the rate increase proposed by AT&T, conduct a hearing, permit the EEOC to participate at said hearing and to develop fully its view that AT&T's operating companies discriminate, and declare any proposed rate increase unlawful until AT&T has ceased such discrimination.

Dated at Washington, D.C., this 8th day of January, 1971.

WILLIAM H. BROWN,III
Chairman

Equal Employment Opportunity
Commission
1800 G Street, N.W.
Washington, D. C. 20506

G.E. EXHIBIT NO. 39

EEOC Memorandum to Employees,
dated 1/26/73 re "Advance Sick Leave".

1124

UNITED STATES GOVERNMENT
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Date: January 26, 1973

TO: All Employees
FROM: Ronald B. Krueger /s/
SUBJECT: Advance Sick Leave

It has been brought to our attention that there is some question as to why maternity cases were singled out as the only example in our Adfance Sick Leave memorandum dated December 20, 1972. Our reason for indicating maternity cases as a specific example was that GSA Payroll has, on a continuing basis, refused to honor our requests for advance sick leave for normal pregnancy purposes since it is in direct conflict with U.S. Civil Service Commission rules and regulations. It was our feeling that if all employees were made aware of this fact, it would, perhaps, stop the numerous requests from coming into the Personnel Division.

Our maternity leave policy still permits up to six months of leave – sick, annual, leave without pay, or any combination thereof. In some instances, the time period can be extended.

We hope the above clarifies our previous memorandum, concerning advance sick leave for pregnancy and confinement.

Approved for circulation:

/s/ * * * D. Butler
Director, Office of Management

/s/ Thomas G. * * *
Executive Director

G.E. EXHIBIT NO. 40

EEOC Manual Sec. 911–Excerpts of Pages 1-6
Dated 11-15-68 & 7-25-69

1125

Date: Nov. 15, 1968

Subject: Leave

Section: 911
Page: 1

X. PURPOSE

the purpose of this Section is to state overall requirements of law, regulation, and Commission policy concerning leave of absence. Questions concerning leave policies or procedures not answered herein should be referred to the Office of Administration.

XI. COVERAGE

All employees are subject to the leave provisions of this Section except:

the Chairman and Commissioners who are Presidential appointees,
Part-time or employees without a regular tour of duty, and
Employees without compensation or on a "fee" basis.

XII. ANNUAL LEAVE

Annual leave is absence with pay for vacation or other personal reasons. It is normally planned in advance and is always subject to approval by the employee's immediate supervisor.

A. Accrual

Full-time employees earn annual leave as follows:

1. One-half pay for each full payperiod for employees with less than three years service,

GENERAL COUNSEL'S EXHIBIT NO. 40

EEOC MANUAL

Subject: Leave **Date:** Nov. 15, 1968 **Section:** 911

* * *

I. PURPOSE

The purpose of this Section is to state overall requirements of law, regulation, and Commission policy concerning leave of absence. Questions concerning leave policies or procedures not answered herein should be referred to the Office of Administration.

II. COVERAGE

All employees are subject to the leave provisions of this Section except:

The Chairman and Commissioners who are Presidential appointees,
Part-time or WAE employees without a regular tour of duty, and
Employees without compensation or on a "fee" basis.

III. ANNUAL LEAVE

Annual leave is absence with pay for vacation or other personal reasons. It is normally planned in advance and is always subject to approval by the employee's immediate supervisor.

A. Accrual

Full-time employees earn annual leave as follows:

1. One-half day for each full payperiod for employees with less than three years' service,

2. Three-fourths day for each full payperiod (except one and one-fourth days for the last payperiod in the calendar year) for employees with * * *

* * *

EEOC MANUAL

Page 4(R-1) **Section:** 911 **Date:** July 25, 1969

* * *

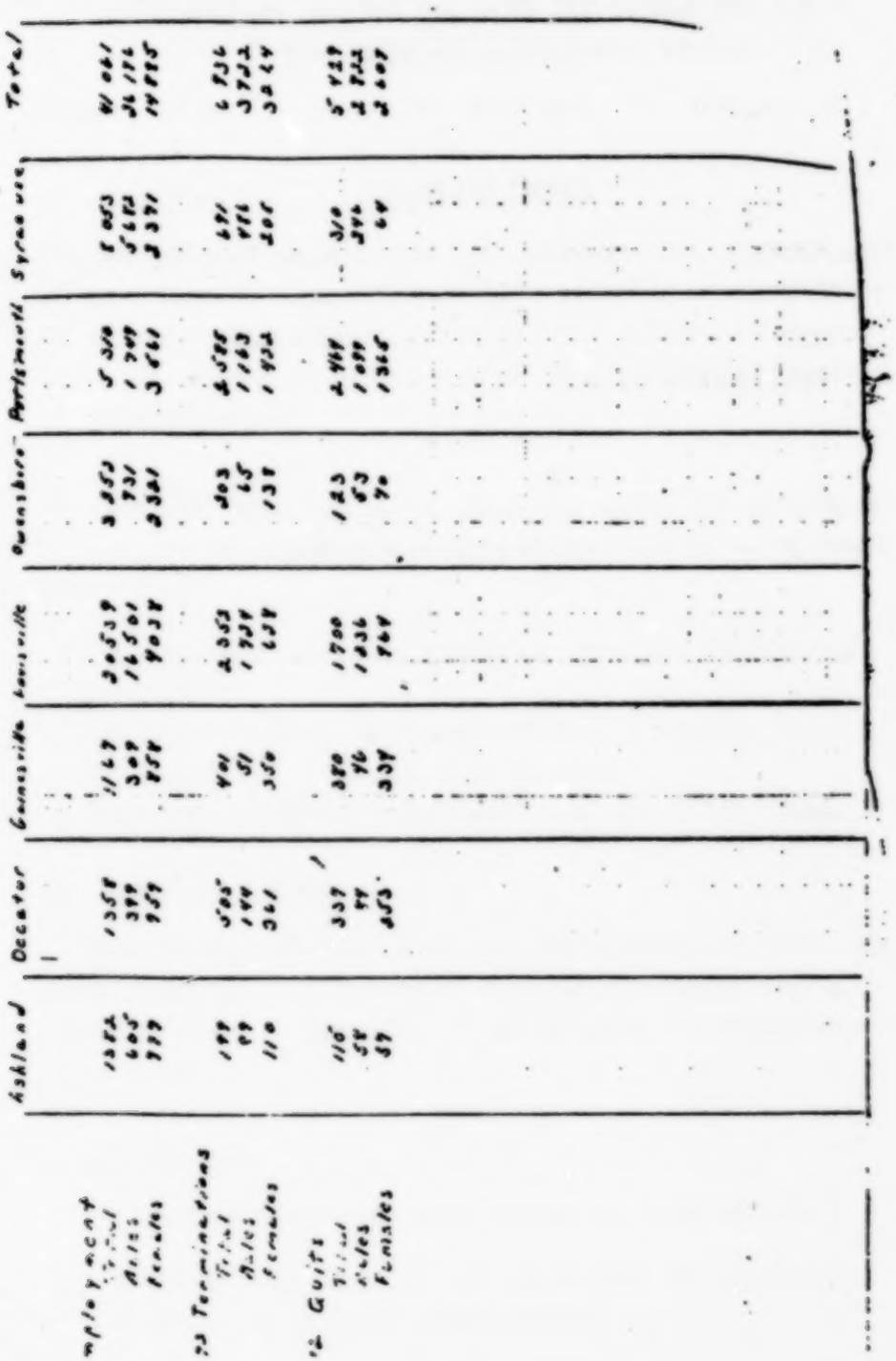
V. MATERNITY LEAVE

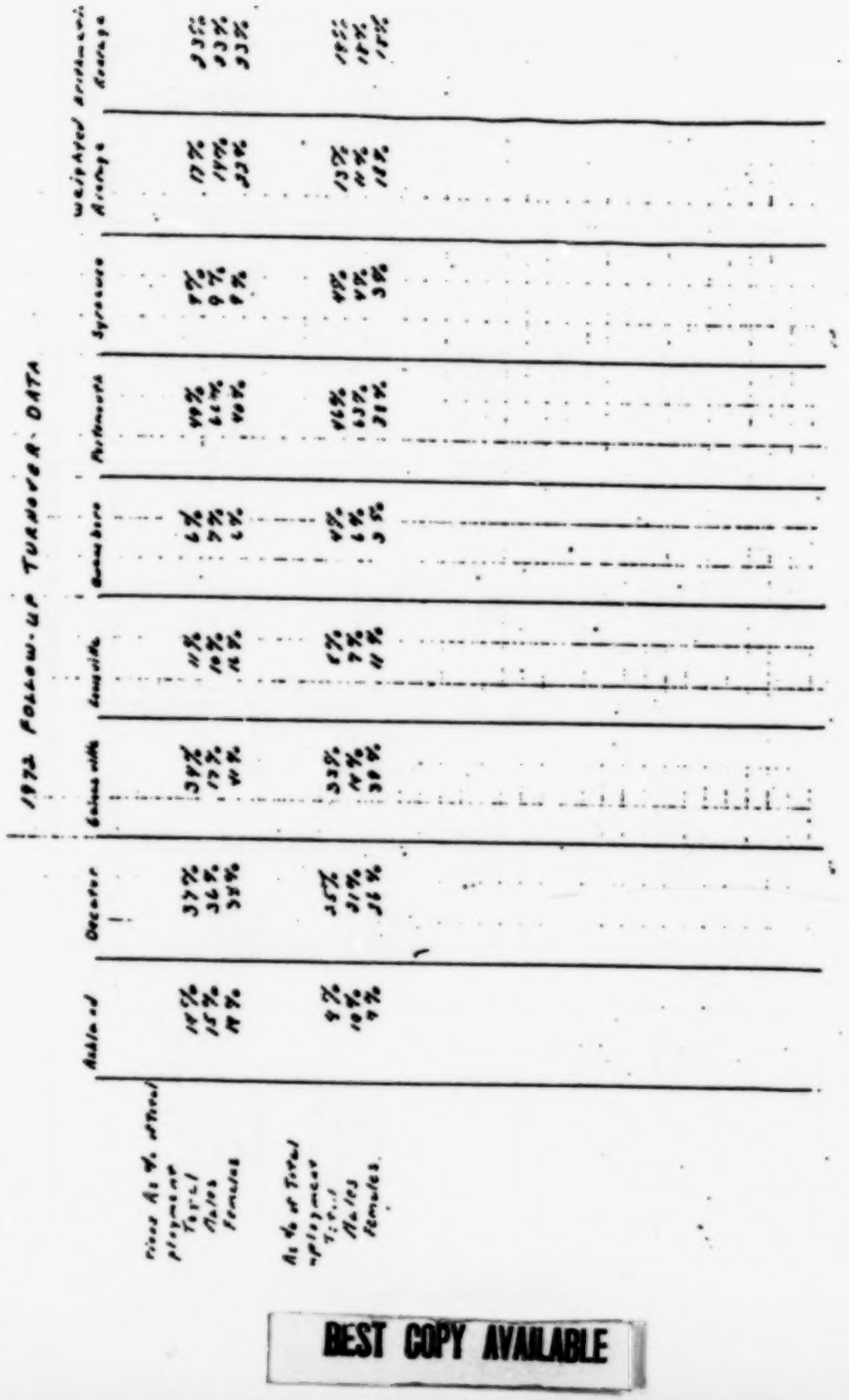
* * *

Employees will begin maternity leave not later than four weeks prior to the expected date of delivery.

* * *

G.E. EXHIBIT NO. 41A - 1972 Follow-Up Turnover Data





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1972 FOLLOW-UP TURNOVER DATA

	Seven Locations Total	Four Locations Total	Combined Total
Employment			
Total	41 011	31 990	73 001
Males	36 176	16 741	52 917
Females	19 835	5 199	25 034
1972 Terminations			
Total	6 736	3 213	10 149
Males	3 703	2 535	6 347
Females	3 214	688	3 902
1972 Quits			
Total	5 427	2 214	7 643
Males	3 232	1 707	4 939
Females	2 607	507	3 114

1973 FOLLOW-UP TURNOVER DATA

	Seven Locations Arithmetic Average	Four Locations Arithmetic Average	Seven Locations Weighted Average	Four Locations Weighted Average	Combined Arithmetic Average	Combined Weighted Average
Terminations As % of Total Employment						
Total	22%	20%	19%	10%	32%	14%
Males	23%	21%	14%	9%	32%	13%
Females	33%	19%	23%	13%	21%	18%
Quits As % of Total Employment						
Total	18%	19%	13%	7%	17%	10%
Males	15%	19%	11%	6%	16%	9%
Females	18%	12%	18%	10%	16%	16%

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G.E. EXHIBIT No. 41B - 1972 Turnover Data

1972 TURNOVER DATA

	Salaried Only	Tyler	Trades	Pr. Wayne
Employment				
Total	37 700	1 891	707	1 172
Males	23 700	1 528	523	976
Females	9 000	363	184	196
1972 Terminations				
Total	4 570	705	370	188
Males	1 877	397	233	81
Females	693	91	97	107
972 Quits				
Total	1 616	302	125	44
Males	1 230	226	107	57
Females	386	76	31	69

1972 Follow-up Turnover Data

	Salaried Only	Tyler	Trades	Pr. Wayne
Terminations As % of Total Employment				
Total	9%	37%	40%	
Males	8%	37%	41%	
Females	10%	41%	35%	
Quits As % of Total Employment				
Total	6%	16%	25%	
Males	5%	17%	26%	
Females	10%	9%	33%	

G.E. EXHIBIT NO. 42 - Cost Estimates Regarding Maternity Benefits. Statistical Study by Paul H. Jackson, Fellow, Society of Actuaries.

A. Privately Insured Short-term Disability Coverage

The cost for maternity coverage on the same basis as any other disability was developed on the following assumptions:

1. Annual births in United States among working mothers approximately 1,463,000 based on annual rate of birth by age of mother assumed equal to the 1968 live birth rates (latest published), Table 56, Statistical Abstract of the United States, discounted by a judgment factor of .9 to allow for a lower rate of birth among married women in the working population than among married women generally. See attached worksheet.

2. 40% of working employees under 65 are covered by group sickness and accident insurance. (Source Book of Health Insurance 1972-1973, page 25, and Special Labor Force Report 144, Bureau of Labor Statistics, Table B.)

3. Insurance company premiums for short-term disability approximately 123% of claim payments, Table 735, American Almanac–Source–U.S. Social Security Administration–S.S. Bulletin, April 1972.

4. Average benefit $1,276 based on 45% under 13 week plans with $60 average benefit, 50% under 26 week plans with $70 average benefit, 5% under 52 week plans with $80 average benefit. (Source Book of Health Insurance 1972-1973, 12th Annual Survey 1971; Health Insurance Institute and 1971 Reports Mortality and Morbidity

Experience, Society of Actuaries.) Utilization–13 weeks under 13 week plans, 23 weeks under 26 week plans and 30 weeks under 52 week plans. (Judgment item assuming modest claim abuse and malingering with maximum claim controls.)

5. Total Annual Cost - $918,460,000. (1,463,000 x 1.23 x $1,276 as per above.)

6. Present Annual Cost - $114,016,000 based on 40% of insured plans providing 6 week maternity benefit averaging $396. (Source – 1971 Reports.) (1,463,000 x .4 x .4 x 1.23 x 396.)

7. Added Annual Cost (5-6) - $804,000,000.

B. Sick Leave Program

Added cost under sick leave programs $406,000,000 based on annual sick leave payments projected to $1,070,000,000 in 1973 (Source – Research and Statistics Note 23, DHEW Pub. No. SSA 73-11701) and same ratio of increase as applicable to short-term disability (804/2121).

C. Long-term Disability Coverage

Added annual cost $143,000,000 based on 10% of workforce with LTD coverage (Source Book of Health Insurance, p. 25) and 5% of covered births (7315) claiming disability and collecting average benefit of $75 per week for 5 year average claim. The 7315 claims at 5% of total births is an estimate of uncontrollable claim abuse such as feigned disability based on claims of mental and nervous ailments, etc. that cannot be objectively disproven. (It was assumed that all claims presented under disability pension provisions could be denied.)

D. Total Estimated Annual Cost - $1,353,000,000.

Respectfully submitted,

/s/ PAUL H. JACKSON
Paul H. Jackson
Fellow, Society of Actuaries

July 17, 1973

- - - - - - - -

Estimated Annual Births
Working Population 1972

Central Age (1)	Birth Rate per 1,000 Population 1/ (2)	Total Female Population 1971 2/ (3)	Annual Births (2)x(3) (4)	Married Female Husband Present 2/ (5)	Married Female Workers Husband Present 2/ (6)	Estimated Annual Births Among Female Workers (4)x(6)÷(5) (7)
17	66	7,547,000	498,102	866,000	320,000	184,056
22	167	8,754,000	1,461,918	4,842,000	2,276,000	687,180
27	140	7,051,000	987,140	5,466,000	2,102,000	379,614
32	75	5,903,000	442,725	4,831,000	2,004,000	183,652
37	36	5,825,000 3/	209,700	4,771,000 3/	2,270,000 3/	99,773
42	10	5,825,000 3/	58,250	4,771,000 3/	2,269,000 3/	27,703
47	1	6,089,000 3/	6,089	4,735,000 3/	2,317,000 3/	2,980
Total		74,580,000	3,663,924	45,443,000	18,530,000	1,564,988

1/ Table 56 Statistical Abstract (Table 65, American Almanac)
2/ Table B Special Labor Force Report 144, Bureau of Labor Statistics, U.S. Department of Labor.
3/ Data available only for two central age groups as follows: Col.(3) 11,650 for 35-44, 12,177 for 45-54 and Col.(5) 9,541 for 35-44 and 9,470 for 45-54, Col.(6) 4,539 for 35-44 and 4,634 for 45-54.

Married Women (Husband Present) in Labor Force March 1972 = 19,249 (Table 7, p. 36, Mo. Labor Rev., April 1973).

Discount for Lower Birth Rate Working Mothers .9.

Estimated Annual Births $\frac{1,564,988}{18,530} \times .9 = 1,463,113$

July 17, 1973

G.E. EXHIBIT NO. 47 - List of Published Writings of Paul Jackson, Actuary.

ACTUARIAL PAPERS

1. "Experience Rating", Transactions, Society of Actuaries, Vol. 5.

2. "Investment Risk for Pension Funds", The Proceedings, Conference of Actuaries in Public Practice, Vol. XX.

3. "The Senate Labor Subcommittee Study of Private Pension Plans - An Actuarial Appraisal", Proc. C.A., Vol. XXI.

Co-authored with James A. Hamilton:

4. "The Valuation of the Equity Assets of Pension Funds", Transactions, 18th International Congress of Actuaries, Vol. II.

5. "The Valuation of Pension Fund Assets", T.S.A., Vol. XX.

BOOKS

1. Chapter 24, "Group Paid-up and Group Permanent Life Insurance", *Life and Health Insurance Handbook*, Edited by D. W. Gregg (Irwin, 1959).

2. Chapter 12, "Experience Rating in Group Life Insurance", *Group Insurance Handbook*, Edited by Robert Eilers and Robert Crowe (Irwin, 1965).

3. Chapter 5, "Income Replacement", *The Total Approach to Employee Benefits*, Edited by Deric, AMA, 1967.

4. Chapter 41, "Trust Fund Pension Plans", *Life and Health Insurance Handbook*, Edited by Gregg and Lucas (Irwin, 1972).

GENERAL PAPERS

1. "Self Insurance and Group Insurance", CLU Journal, Vol. XVI, No. 4.

2. "Planning and Developing a Sound Form of Employee Long-Term Disability Benefits", The Insurance Manager, 1963.

3. "Developments in Group Insurance", CLU Journal, Vol. XIX, No. 4.

4. "Disability Benefits in Pension Plans and Group Insurance Programs", PW News, April, 1966.

5. "How and When to Recognize Appreciation in Valuing Pension Assets", Summary of Proceedings, Third Annual Corporate Pension Conference, DLJ, 1966.

6. "Criticism of 'First Dollar' Health Insurance Coverage", PW News, July, 1966.

7. "New Rules on Social Security Integration", Proceedings, First Annual Conference on Employee Benefits, 1967.

8. "Current Considerations in the Selection of Actuarial Assumptions", PW News, January, 1968.

9. "Public Employee Retirement - The Future of Social Security Benefits and Their Impact on Integrated Pension Plans", Proceedings, 67th Annual Conference, Municipal Finance Officers Association of the United States and Canada.

10. "The Long Range Effect of New Integration Rules on Benefit Plans", Proceedings, 5th Annual Corporate Pension Conference, DLJ, 1968.

11. "The Dilemma of Social Security Integration", Retirement Plan Perspective, Manufacturers-Hanover, September-October, 1968.

12. "Survivor Benefits", PW News, January, 1970.

13. "Toward a Full Share in Abundance", Profit Sharing, Vol. 18, No. 4., April, 1970.

14. "Pensions, A Different Point of View", Private Pensions and the Public Interest, AEI, 1970.

15. "Investment Risks for Pension Funds", Proceedings, 4th Annual Conference on Employee Benefits, 1970.

16. "The Impact of Federal Law and Regulation on Benefit Design and Change", Proceedings, 5th Annual Conference on Employee Benefits, 1971.

17. "The Role of the Actuary in Collective Bargaining", TSA, Vol. XXIII, March, 1972.

18. "Early Retirement - U.S. Patterns and Problems", Benefits International, June, 1972.

19. "Investment Advice and Performance Analyses in the United States", IACA, 1972.

20. "Early Retirement", PW News, September-October, 1972.

21. "Effect of the New Higher Levels of Social Security Benefits", Risk Management, June-July, 1973.

BOOK REVIEWS

Measuring the Investment Performance of Pension Funds for the Purpose of Inter-Fund Comparison, Cohen, Dean, Durand, Fama, Fisher, Lorie, Shapiro, TSA, April, 1969.

Investment Practices, Performance and Management of Profit Sharing Trust Funds, Metzger, Bert L., TSA, November, 1969.

Pension Fund Investment Management, C.P.A. Research Seminar (Esmond B. Gardner, Editor), TSA, April, 1970.

Early Retirement - The Decision and the Experience, Barfield, Richard, and Morgan, James, TSA, April, 1970.

Early Retirement Benefits - Panacea, Purgatory or Palliative, Blagden, Harry E., TSA, April, 1971.

The Automobile Worker and Retirement: A Second Look, Barfield, Richard E., TSA, April, 1971.

Private Pensions and the Public Interest, American Enterprise, Institute, TSA, April, 1971.

Early Retirement: A Survey of Company Policies and Retirees' Experiences, Greene, Mark R., Pyron, M. Charles, Manion, U. Vincent, Winklevoss, Howard, TSA, April, 1971.

1970 Study of Industrial Retirement Plans, Bankers Trust Company, TSA, April, 1971.

Pensions and Severance Pay for Displaced Defense Workers, Folk, Hugh and Hartman, Paul, TSA, March, 1972.

Private Pension Scheme Finance, Tutt, Leslie and Sylvia, TSA, March, 1972.

The Fundamentals of Pension Mathematics, Berin, TSA, September, 1972.

Early Retirement Programs, Myer and Fox, TSA, September, 1972.

Analysis of the Cost of Vesting in Pension Plans, Winklevoss, TSA, March, 1973.

Income - Background and Issues, 1971 White House Conference on Aging, TSA, March, 1973.

Protecting Purchasing Power in Retirement, Mackin, TSA, March, 1973.

Flexibility of Retirement Age, OECD, TSA, June, 1973.

Canadian Handbook on Pension and Welfare Plans, Mercer and Coward, TSA, June, 1973.

You and Your Pension - Nader and Blackwell, PW News, May, 1973.

WRITTEN DISCUSSION OF PAPERS

Transactions Society of Actuaries Volume and Page		Topic
1963	439-445	"Collective Risk Theory"
1966	76-79	"Concepts of Adequacy in Pension Plan Funding"
1966	459-461	"Excess Ratio Distribution in Risk Theory"
1969	219-221	"Empirical Approach to Credibility Factors"
1970	483-485	"Asset Values under Equity Based Products"
1972	133-139	"Frequency of Pension Plan Actuarial Valuation"

PUBLISHED DISCUSSIONS

Transactions Society of Actuaries Volume and Pages		Topic
1957	65-66	Group Insurance
1959	482	Employee Benefit Plans
1964	249	Optional Accident Insurance
1964	275-277	"New Money" Interest Rates
1965	100-103	Long Term Disability Benefits
1969	362	Utility Theory
1972	386-390	Principles and Practices for Pension Plans

OFFICIAL STUDY NOTES–Society of Actuaries

1961	Experience Rating
1963	Long Term Disability Insurance
1964	Group Permanent Life Insurance

G.E. EXHIBIT NO. 48 - Sex Discrimination Guidelines for Government Contractors, United States Office of Federal Contract Compliance, CCH Employment Practices, pages 2169 to 2169-3, 10-5-72

Office of Federal Contract Compliance

SEX DISCRIMINATION GUIDELINES for GOVERNMENT CONTRACTORS

¶ 4340

The following Sex Discrimination Guidelines, amending Chapter 60 of Title 41 of the Code of Federal Regulations by adding a new Part 60-20, were published in the Federal Register of June 9, 1970 (35 F. R. 8888).[1] The

[1] Authority.–Issued under Section 201, Executive Order 11246 (30 F. R. 12819), and Executive Order 11375 (32 F.R. 14303).

Guidelines constitute interpretations as to the requirements with respect to sex discrimination imposed upon government contractors and subcontractors and upon federally-assisted construction contractors and subcontractors by Executive Order 11246 as amended by Executive Order 11375. The Guidelines became effective June 9, 1970.

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Section		Paragraph
60-20.1	Title and Purpose	4340.01
60-20.2	Recruitment and Advertisement	4340.02
60-20.3	Job Policies and Practices	4340.03
60-20.4	Seniority Systems	4340.04
60-20.5	Discriminatory Wages	4340.05
60-20.6	Affirmative Action	4340.06

[¶4340.01]

Section 60-20.1. Title and Purpose.—The purpose of the provisions in this part is to set forth the interpretations and guidelines of the Office of Federal Contract Compliance regarding the implementation of Executive Order 11375 for the promotion and insuring of equal opportunity for all persons employed or seeking employment with Government contractors and subcontractors or with contractors and subcontractors performing under federally-assisted construction contracts, without regard to sex. Experience has indicated that special problems related to the implementation of Executive Order 11375 require a definitive treatment beyond the terms of the order itself. These interpretations are to be read in connection with existing regulations, set forth in Part 60-1 of this chapter.

[¶4340.02]

Sec. 60-20.2. Recruitment and Advertisement.—(a) Employers engaged in recruiting activity must recruit

employees of both sexes for all jobs unless sex is a bona fide occupational qualification.

(b) Advertisement in newspapers and other media for employment must not express a sex preference unless sex is a bona fide occupational qualification for the job. The placement of an advertisement in columns headed "Male" or "Female" will be considered an expression of a preference limitation, specification or discrimination, based on sex.

[¶4340.03]

Sec. 60-20.3. Job Policies and Practices.—(a) Written personnel policies relating to this subject area must expressly indicate that there shall be no discrimination against employees on account of sex. If the employer deals with a bargaining representative for his employees and there is a written agreement on conditions of employment, such agreement shall not be inconsistent with these guidelines.

(b) Employees of both sexes shall have an equal opportunity to any available job that he or she is qualified to perform, unless sex is a bona fide occupational qualification.

> Note: In most Government contract work there are only limited instances where valid reasons can be expected to exist which would justify the exclusion of all men or all women from any given job.

(c) The employer must not make any distinction based upon sex in employment opportunities, wages, hours, or other conditions of employment. In the area of employer contributions for insurance, pensions, welfare programs and other similar "fringe benefits" the employer will not be considered to have violated these guidelines if his contri-

butions are the same for men and women or if the resulting benefits are equal.

(d) Any distinction between married and unmarried persons of one sex that is not made between married and unmarried persons of the opposite sex will be considered to be a distinction made on the basis of sex. Similarly, an employer must not deny employment to women with young children unless it has the same exclusionary policies for men; or terminate an employee of one sex in a particular job classification upon reaching a certain age unless the same rule is applicable to members of the opposite sex.

(e) The employer's policies and practices must assure appropriate physical facilities to both sexes. The employer may not refuse to hire men or women, or deny men or women a particular job because there are no restroom or associated facilities, unless the employer is able to show that the construction of the facilities would be unreasonable for such reasons as excessive expense or lack of space.

(f) (1) An employer must not deny a female employee the right to any job that she is qualified to perform in reliance upon a State "protective" law. For example, such laws include those which prohibit women from performing in certain types of occupations (e.g., a bartender or a core-maker); from working at jobs requiring more than a certain number of hours; and from working at jobs that require lifting or carrying more than designated weights.

(2) Such legislation was intended to be beneficial, but, instead, has been found to result in restricting employment

opportunities for men and/or women. Accordingly, it cannot be used as a basis for denying employment or for establishing sex as a bona fide occupational qualification for the job.

(g) (1) Women shall not be penalized in their conditions of employment because they require time away from work on account of childbearing. When, under the employer's leave policy the female employee would qualify for leave, then childbearing must be considered by the employer to be a justification for leave of absence for female employees for a reasonable period of time. For example, if the female employee meets the equally applied minimum length of service requirements for leave time, she must be granted a reasonable leave on account of childbearing. The conditions applicable to her leave (other than the length thereof) and to her return to employment, shall be in accordance with the employer's leave policy.

(2) If the employer has no leave policy, childbearing must be considered by the employer to be a justification for a leave of absence for a female employee for a reasonable period of time. Following childbirth, and upon signifying her intent to return within a reasonable time, such female employee shall be reinstated to her original job or to a position of like status and pay, without loss of service credits.

(h) The employer must not specify andy differences for male and female employees on the basis of sex in either mandatory or optional retirement age.

(i) Nothing in these guidelines shall be interpreted to mean that differences in capabilities for job assignments do not exist among individuals and that such distinctions

may not be recognized by the employer in making specific assignments. The purpose of these guidelines is to insure that such distinctions are not based upon sex.

[¶4340.04]

Sec. 60-20.4. Seniority Systems.—Where they exist, seniority lines and lists must not be based solely upon sex. Where such a separation has existed, the employer must eliminate this distinction.

[¶4340.05]

Sec. 60-20.5. Discriminatory Wages.—(a) The employer's wages schedules must not be related to or based on the sex of the employees.

> Note: The more obvious cases of discrimination exist where employees of different sexes are paid different wages on jobs which require substantially equal skill, effort and responsibility and are performed under similar working conditions.

(b) The employer may not discriminatorily restrict one sex to certain job classifications. In such a situation, the employer must take steps to make jobs available to all qualified employees in all classifications without regard to sex. (Example: An electrical manufacturing company may have a production division with three functional units: One (assembly) all female; another (wiring), all male; and a third (circuit boards), also all male. The highest wage attainable in the assembly unit is considerably less than that in the circuit board and wiring units. In such a case the employer

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G.E. EXHIBIT NO. 49 - Equal Employment Opportunity Commission, "Guidelines on Discrimination Because of Sex"—Pre-1972 Version (29 CFR Par. 1604, as revised as of Jan. 1, 1972).

PART 1604—GUIDELINES ON DISCRIMINATION BECAUSE OF SEX

Sec.
1604.1 Sex as a bona fide occupational qualification.

1604.2 Separate lines of progression and seniority systems.

Sec.
1604.3 Discrimination against married women.

1604.4 Job opportunities advertising.

1604.5 Employment agencies.

1604.6 Pre-employment inquiries as to sex.

1604.7 Relationship of Title VII to the Equal Pay Act.

1604.31 Pension and retirement plans.

AUTHORITY: The provisions of this Part 1604 are issued pursuant to Sec. 713(b), 78 Stat. 265; 43 U.S.C. 2000e-12.

SOURCE: The provisions of this Part 1604 appear at 30 F.R. 14927, Dec. 2, 1965, unless otherwise noted.

§ 1604.1 Sex as a bona fide occupational qualification.

(a) The Commission believes that the bona fide occupational qualification exception as to sex should be interpreted narrowly. Labels——"Men's jobs" and "Women's

jobs"—tend to deny employment opportunities unnecessarily to one sex or the other.

(1) The Commission will find that the following situations do not warrant the application of the bona fide occupational qualification exception:

(i) The refusal to hire a woman because of her sex, based on assumptions of the comparative employment characteristics of women in general. For example, the assumption that the turnover rate among women is higher than among men.

(ii) The refusal to hire an individual based on stereotyped characterizations of the sexes. Such stereotypes include, for example, that men are less capable of assembling intricate equipment; that women are less capable of aggressive salesmanship. The principle of non-discrimination requires that individuals be considered on the basis of individual capacities and not on the basis of any characreristics generally attributed to the group.

(iii) The refusal to hire an individual because of the preferences of co-workers, the employer, clients or customers except as covered specifically in subparagraph (2) of this paragraph.

(iv) The fact that the employer may have to provide separate facilities for a person of the opposite sex will not justify discrimination under the bona fide occupational qualification exception unless the expense would be clearly unreasonable.

(2) Where it is necessary for the purpose of authenticity or genuineness, the Commission will consider sex to be a bona fide occupational qualification, e.g., an actor or actress.

(b)(1) Many States have enacted laws or promulgated administrative regulations with respect to the employment of females. Among these laws are those which prohibit

or limit the employment of females, e.g., the employment of females in certain occupations, in jobs requiring the lifting or carrying of weights exceeding certain prescribed limits, during certain hours of the night, or for more than a specified number of hours per day or per week.

(2) The Commission believes that such State laws and regulations, although originally promulgated for the purpose of protecting females, have ceased to be relevant to our technology or to the expanding role of the female worker in our economy. The Commision has found that such laws and regulations do not take into account the capacities, preferences, and abilities of individual females and tend to discriminate rather than protect. Accordingly, the Commission has concluded that such laws and regulations conflict with Title VII of the Civil Rights Act of 1964 and will not be considered a defense to an otherwise established unlawful employment practice or as a basis for the application of the bona fide occupational qualification exception.

[30 F.R. 14927, Dec. 2, 1965, as amended at 34 F.R. 13368, Aug. 19, 1969]

§ 1604.2 Separate lines of progression and seniority systems;

(a) It is an unlawful employment practice to classify a job as "male" or "female" or to maintain separate lines of progression or separate seniority lists based on sex where this would adversely affect any employee unless sex is a bona fide occupational qualification for that job. Accordingly, employment practices are unlawful which arbitrarily classify jobs so that:

(1) A female is prohibited from applying for a job labeled "male", or for a job in a "male" line of progression; and vice versa.

(2) A male scheduled for layoff is prohibited from displacing a less senior female on a "female" seniority list; and vice versa.

(b) A seniority system or line of progression which distinguishes between "light" and "heavy" jobs constitutes an unlawful employment practice if it operates as a disguised form of classification by sex, or creates unreasonable obstacles to the advancement by members of either sex into jobs which members of that sex would reasonably be expected to perform.

§ 1604.3 Discrimination against married women.

(a) The Commission has determined that an employer's rule which forbids or restricts the employment of married women and which is not applicable to married men is a discrimination based on sex prohibited by Title VII of the Civil Rights Act. It does not seem to us relevant that the rule is not directed against all females, but only against married females, for so long as sex is a factor in the application of the rule, such application involves a discrimination based on sex.

(b) It may be that under certain circumstances, such a rule could be justified within the meaning of Section 703(e)(1) of Title VII. We express no opinion on this question at this time except to point out that sex as a bona fide occupational qualification must be justified in terms of the peculiar requirements of the particular job and not on the basis of a general principle such as the desirability of spreading work.

§ 1604.4 Job opportunities advertising.

It is a violation of Title VII for a help-wanted advertisement to indicate a preference, limitation, specification, or discrimination based on sex unless sex is a bona fide occupational qualification for the particular job involved. The placement of an advertisement in columns classified by publishers on the basis of sex, such as columns headed "Male" or "Female," will be considered an expression of a preference, limitation, specification, or discrimination based on sex.

[33 F.R. 11539, Aug. 14, 1968]

§ 1604.5 Employment agencies.

(a) Section 703(b) of the Civil Rights Act specifically states that it shall be unlawful for an employment agency to discriminate against any individual because of sex. The Commission has determined that private employment agencies which deal exclusively with one sex are engaged in an unlawful employment practice, except to the extent that such agencies limit their services to furnishing employees for particular jobs for which sex is a bona fide occupational qualification.

(b) An employment agency that receives a job order containing an unlawful sex specification will share responsibility with the employer placing the job order if the agency fills the order knowing that the sex specification is not based upon a bona fide occupational qualification. However, an employment agency will not be deemed to be in violation of the law, regardless of the determination as to the employer, if the agency does not have reason to believe that the employer's claim of bona fide occupations qualification is without substance and the agency makes and maintains a written record available to the Commission of each such job order. Such record shall include the name of the employer, the description of the job and the basis for the employer's claim of bona fide occupational qualification.

(c) It is the responsibility of employment agencies to keep informed of opinions and decisions of the Commission on sex discrimination.

§ 1604.6 Pre-employment inquiries as to sex.

A pre-employment inquiry may ask "Male _____, Female_____", or "Mr. Mrs., Miss," provided that the inquiry is made in good faith for a non-discriminatory purpose. Any pre-employment inquiry in connection with prospective employment which expresses directly or indirectly any limitation, specification or discrimination as to sex shall be unlawful unless based upon a bona fide occupational qualification.

§ 1604.7 Relationship of Title VII to the Equal Pay Act.

(a) Title VII requires that its provisions be harmonized with the Equal Pay Act (section 6(d) of the Fair Labor Standards Act of 1938 (section 29, U.S.C. 206(d) in order to avoid conflicting interpretations or requirements with respect to situations to which both statutes are applicable. Accordingly, the Commission interprets section 703(h) to mean that the standards of "equal pay for equal work" set forth in the Equal Pay Act for determining what is unlawful discrimination in compensation are applicable to Title VII. However, it is the judgment of the Commission that the employee coverage of the prohibition against discrimination in compensation because of sex is co-extensive with that of the other prohibitions in section 703, and is not limited by section 703(h) to those employees covered by the Fair Labor Standards Act.

(b) Accordingly, the Commission will make applicable to equal pay complaints filed under Title VII the relevant interpretations of the Administrator, Wage and Hour Division, Department of Labor. These interpretations are found in 29 Code of Federal Regulations, Part 800.-119–800.163. Relevant opinions of the Administrator interpreting "the equal pay for equal work standard" will also be adopted by the Commission.

(c) . The Commission will consult with the Administrator before issuing an opinion on any matter covered by both Title VII and the Equal Pay Act.

§ 1604.31 Pension and retirement plans.

(a) A difference in optional or compulsory retirement ages based on sex violates Title VII.

(b) Other differences based on sex such as differences in benefits for survivors, will be decided by the Commission by the issuance of Commission decisions in cases raising such issues. [33 F.R.3344, Feb. 24, 1968]

G.E. EXHIBIT NO. 50 - G.E. Health Information, Termination of Active Work During Pregnancy, July 7, 1964

The Medical Advisory Council has discussed and reconsidered the Advice on "Termination of Active Work During Pregnancy" issued March 10, 1961 as Health Information Letter, H61-2. The following revises and supplements that recommendation.

Introduction

A perennially difficult problem in different parts of the Company centers about the point-of-time during a period of pregnancy when the employer should insist that a pregnant employee terminate active work. The answer to the problem is necessarily a variable one depending upon such factors as (a) the general health of the employee involved, (b) the nature of the work to which the employee is assigned, (c) the general nature of working conditions and safety factors in the area or plant in which the employee works, and (d) State laws. It is generally agreed that pregnant women may continue to work through the sixth month of pregnancy and

beyond when the pregnancy is uncomplicated, and may resume work at the end of eight weeks following termination of pregnancy, but it is generally agreed that women should terminate employment at the end of the sixth month and this is the recommendation of the Medical Advisory Council. However, it is recognized by the Council that an employee may—under certain circumstances—be permitted to continue to work up to one month before the expected delivery date, with the concurrence of her obstetrician and the plant physician. The foregoing considerations should be kept in mind in establishing local practices in this general area. It is appreciated that in some cases it may not be possible for the employee to continue working until the end of the sixth month, and that it may be necessary for her to be absent from work longer than the eight week period, when health or other circumstances so indicate.

Illness-Pregnancy

Upon leaving due to pregnancy, an employee's status is indicated as "illness-pregnancy" during the absence and is covered by the current rules relating to such absence. Thus, she is under no obligation to keep her supervisor notified as to her condition until eight weeks after termination of pregnancy. Failure to resume work after the eight week period would be expected to terminate service unless there was lack of work, illness, complications from pregnancy or some other valid reason, which should thereafter become the reason for absence on employment and payroll records.

Suggested Forms

The following information from the attending and/or plant physician should be given the supervisor of the woman leaving due to pregnancy in the normal case:

Dear Doctor:

It is the policy of the General Electric Company to request women who are pregnant to leave their work at the conclusion of the second trimester. In certain exceptional cases the employee may continue beyond this time, up to four weeks before the expected delivery date, with the approval of her private physician and the concurrence of the General Electric physician.

Would you kindly certify to the following statement:

As near as can be determined, Mrs._____ will be delivered on_____(date). I recommend that she work until_____(date).

Signed_____M.D.

Place_____

Date_____

In the event the absence following termination of pregnancy exceeds eight weeks, due to reasons of health, the employee should furnish to management a medical statement in essentially the following form:

Dear Sir:

The pregnancy of Mrs._____terminated on ----------(date). Health considerations will not permit her to resume work until approximately ----------(date).

Signed_____M.D.

When circumstances warrant, it is permissible to reinstate a woman who has been out due to pregnancy before the lapse of eight weeks under the explicit direction of the attending physician and with the knowledge of the plant physician and in compliance with any state law that may be applicable.

A woman may elect, of course, to stop work at any time during her pregnancy. Also, the plant physician should not hesitate to exercise his prerogative of advising a cessation of work when he has good reason to do so.

John V. Grimaldi, Consultant
Health, Safety & Plant Protection

Distribution: 50ABGH Employee Relations Managers
51J Doctors serving the Company

G.E. EXHIBIT NO. 53 - G.E. Employee Handbook,
Daytona Beach Plant

WELCOME TO GENERAL ELECTRIC
AT DAYTONA BEACH

We have written this booklet for you, whether you are a new employee or a veteran employee.

Here you'll find useful information about your job and the Company . . . about our policies, practices, and routines. You'll see what an outstanding "package" a General Electric job offers you and how we continually try to make General Electric jobs even better.

This booklet cannot, of course, cover everything, so if you have a question that we haven't answered, please discuss it with your supervisor or foreman. He is experienced and competent and interested in helping you, and if he doesn't know the answer, he'll get it for you.

We try to make this a friendly as well as a productive and good place to work, Just as you received equal consideration when you were employed, you are assured equal consideration for promotional and all other opportunities to develop your skills, to progress, and to enhance your value to your family, to your community, and to the Company without regard to race, creed, sex, or age.

G. T. Smiley
General Manager

A wide variety of in-house Company courses is available to employees who are interested in pursuing other developmental activities. Listings of these courses and start dates are publicized in the Astronote

Leave of Absence

A leave of absence, without pay, may be granted to an employee to protect his continuity of service during a temporary absence from work. For the period of the leave of absence you may continue all insurance coverage (except Weekly Sickness and Accident benefits) by payments of regular contribution monthly in advance, as long as you maintain continuity of service. Of course, reemployment upon return from a leave of absence is subject to business conditions at that time.

Educational Leave of Absence

Leave may be granted to employees to pursue undergraduate or graduate studies. Employee must have a minimum of two year's service to apply. The course work to be pursued must lead to either an undergraduate or graduate degree related to the employee's work.

Maternity Absence

Employees who are pregnant may work through the end of their sixth month, or through the eighth month if they have permission from their personal doctor and the Company physician.

An absence for pregnancy is treated as an absence for illness, except that no weekly sickness and accident payment is made. Unless there are verified medical complications, employees returning to work must report back no later than eight weeks after the delivery date. It may be possible to return earlier if you have the written consent of your doctor and the approval of the Company physician.

Military Service

While you are on military leave of absence, you do not break your Company service. You continue to build service credits for up to four years. When you are honorably discharged, you are entitled to be re-employed on your former job or on a job having the same status, pay, and seniority if you are still able to do the work.

If you enter U.S. military service for active duty after one year of continuous service with GE, you are eligible for a military duty allowance equal to one month's straigh. time pay. Effective January 1, 1971, continuous service requirement will be reduced to 30 days.

If you are called into service for a reason other than active military duty (summer encampment, emergency duty or training, for instance), you are eligible for military pay differential for the first 17 days of military service in a calendar year, based on the number of working days included in such 17 days. Effective January 1, 1971, military pay differential will be increased

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G.E. EXHIBIT NO. 54 - G.E. Employee Handbook, Brockport Plant

YOU AND YOUR JOB

INTRODUCTION

In this booklet you will find answers to many of the questions which may arise on your job. It sets forth those practices and policies of Brockport General Electric which are of utmost importance to each of us.

This booklet has been designed as a brief guide for each of us in our daily working relationships. More detailed explanations of our policies, practices and benefits are available. If questions come to mind which are not specifically mentioned in this handbook, see your Supervisor or Foreman. (For the purposes of this booklet, the term "Supervisor" will be used throughout, meaning your immediate superior whether he be Foreman, Supervisor or Manager.) He is eager and able to help you. In the event he does not have an immediate answer to your question, he will know where to get the answer for you.

This booklet will be revised from time to time in order

to keep it up to date, and in agreement with current plant policies and proceduress. However, until you are notified of changes (either by new pages to insert in this book or through a written publication) the various rules and procedures in this employee handbook will remain in effect, and both employees and the plant management will be bound by them.

It will be very helpful if you read this booklet carefully and then keep it for future reference.

MATERNITY ABSENCE

A female employee is not required to begin a maternity leave at any specific time during her pregnancy. She may work as long as her doctor and the Plant Physician consider it safe.

If you leave on Maternity Absence, your service with the Company will be automatically protected for 8 weeks after the birth of your child or termination of pregnancy.

In order to be considered for reinstatement there are several notifications to E & CR and medical releases required. Before you go on Maternity Absence be sure you discuss these with E & CR so you know exactly what your responsibilities are.

REPORTING FOR WORK AFTER ILLNESS

Any employee who returns to work following an illness or injury must obtain clearance from the plant dispensary before going back on the job – if he has been hospitalized, or if he has been absent for five or more consecutive working days. Normally, presentation of a note from your physician stating that he feels you are capable of returning to work on a given day is sufficient.

Examinations by the Plant Physician are required, before returning to work, if:

1) It appears necessary to match your job with your health capabilities.
2) You have been away from work two weeks or more, for any reason.
3) You have been injured in an accident.

Appointments with the Plant Physician may be made through the dispensary.

G.E. EXHIBIT NO. 55 - APPLIANCE PARK - EAST COLUMBIA, MARYLAND
EMPLOYEE HANDBOOK ISSUED SINCE 1972

(Not reprinted here as this is the same as Exhibit A-3 to answers by Defendant GE to Plaintiffs Fourth Interrogations printed at p. _____, *supra.*)

G.E. EXHIBIT NO. 56 - "Switchgear High Lights", Thursday, February 10, 1972, Vol. XII, No. 12. (Not reprinted here as this is the same as Exhibit A-9 to Answers by Defendant G.E. to Plaintiff's Fourth Interrogatories printed at p. _____, *supra.*)

G.E. EXHIBIT NO. 57 - Employee Information. G.E. Insulator Products Department, Baltimore, Maryland. (Not reprinted here as this is the same as Exhibit A-7 to Answers of Defendant G.E. to Plaintiffs' Fourth Interrogatories printed at p. _____, *supra.*)

G.E. EXHIBIT NO. 58 - Murfreesboro News Digest, February 15, 1973. (This is the same as G.E. Exhibit No. 1 and Exhibit A-2 to Answers of Defendant G.E. to Plaintiffs' Fourth Interrogatories printed at p. _____, *supra.*)

G.E. EXHIBIT NO. 59 - Management Newsletter. G.E. Lighting Systems Business Dept., Hendersonville, N. C., No. 73-5, March 22, 1973. (Not printed here as this is the same as Exhibit A-1 to Answers of Defendant G.E. to Plaintiffs' Fourth Interrogatories, printed at p. _____, *supra.*)

G.E. EXHIBIT NO. 60 - G.E., Booklet, "RESD People", 8/25/72, Vol. 2, No. 18. (Not printed here as this is the same as Exhibit A-8 to Answers of Defendant G.E. to Plaintiffs' Fourth Interrogatories printed at p. _____, *supra.*)

PLAINTIFFS' EXHIBIT NO. 2B - Determination of EEOC in *Gilbert, et al. v. GE,* Case No. YDC-3-093, issued May 18, 1973. (omitted in printing since this exhibit is printed in full at pp. 47a-49a of Joint Petition for a Writ of Certiorari).

EXHIBIT NO. J-1 to Pre-Trial Stipulation of Facts. "GE Minutes of IUE National Level Meeting on September 13, 1966"

Company	Union
P. Moore	J. Callahan
M. D'Arcangelo	I. Abramson
A. Graves	W. Blackburn
T. Hilbert	A. Brewin
E. Kneeland	G. Brunner
A. Nunn	D. D'Ambrosio
J. Reid	G. DiPalazzo
D. Sorenson	R. Evans
R. Zook	F. Fulk
E. Ritter	R. Heggen
N. Herrmann	L. Jandreau
	L. Johnson
	D. Lasser
	J. Lawalin
	L. Lesser
	P. Menger
	H. McKinnell
	H. McManus
	J. Ogden
	J. Regan
	D. Rock
	J. Stagman
	J. Stanley
	J. Shambo

(Asterisks indicate action to be taken.)

Meeting started at 10:11 a.m.

Moore — Before we start today I have an opening statement to make and after that we can discuss the procedures to be followed for the balance of the day.

* * *

Callahan — Are you going to make an offer today?

Moore — No. It was my expectations that we would have subcommittee reports today and after them review any other issues that you wish to bring up and from there we'll see how the balance of our discussions go for the week.

* * *

Willis — In the area of weekly sickness and accident benefits we discussed the possibility of higher benefits and of longer duration, say from 39 to 52 weeks, but we analyzed this and found that there are far more companies that have lower benefits in this area, and that, again, we're very much in line. If we extend beyond the six month period in this area, we get involved with the Social Security Program, and before we do this we'll have to give it additional serious study, as the Social Security provisions have been liberalized over the years and at the present moment provides for retroactive payments back to the end of our six months coverage. As far as the half-pay concept goes, we think our provision is adequate. We did have some discussions on the extension of sickness and accident benefits for pregnancy, but inasmuch as most of these folks don't return to our payroll, we felt that there would be better uses for the money in our overall plan. The union did point out that our maternity coverage was less than that of a large number of companies, but we were able to show a large number that provided considerably less in the area of maternity benefits. So I guess it was a stand-off. But we do recognize that the cost of maternity expenses are going up and do present a serious problem. The IUE suggested that these expenses be handled like other illnesses. In the area of pensioners' medical coverage, we pointed-out that with the current Medicare taxes, we have doubled our costs from what they were before. We noted that the General Electric Company was the first to have a provision for medical benefits for its pensioners (i.e., 1948). In those portions of our plan where we have integrated with Medicare it has resulted in a particularly difficult concept for the pensioner to understand. As you know, many of them are in Florida or California and we just can't call them in to a benefits office to explain the administration of this plan to them. This has made it difficult and we are looking for ways to simplify our operations in this area. After our discussions in this area, we weren't able to discern any areas of any particular priority. We did go on to discuss dependent coverage of

the husband's wife who may not be covered by a plan, and a variety of problems in this area. We also discussed the importance of meeting dental costs, and again we're concerned with this, yet the costs in this area are exhorbitant.

* * *

EXHIBIT NO. K-1 to Pre-Trial. Stipulation of Facts: G.E. Minutes of IUE - G.E. Negotiating Committee Meeting September 18, 1965.

Company: Baldwin, Sorenson, Ritter, Willis, Hilbert, Nunn, Powers, Highton, Hindle, Kneeland, Beekman, Menzies, Grebey, Zook, Telford, Reid, Delaney, Ryan, Tsorvas, Willis, Bauer, Weatherbee

Union: Shambo, Jandreau, Friedman, Fitzmaurice, Fiorillo, Enz, Scanlon, Pinto, Turner, Brewin, Morgenstern, Rock, Foley, Litano, Evans, Mangino, Stanley, Speranzo, Tirey, Price, Mills, O'Donnell, Blackburn, Aders, Angle, Kline, Rupee, Levine

Time: 10:15 a.m.

* * *

Company (Willis) continued: In sickness and accident, we feel the 50% feature is appropriate and pretty well standard. Some plans are higher and those companies are experiencing difficulty. With respect to 52 rather than 26 weeks, we feel we get to the area of long-term disability. We

are trying now to develop a long-term disability plan for hourly employees. Present studies indicate it might be more expensive for hourly rather than salaried people because of the experience.

There is a six weeks accident and disability request for pregnancy. We don't believe it's a disability as such and it should not be included.

In the early retirement area, we are more liberal than most companies.

In the insurance benefits for pensioners, we had tried to integrate with medicare but we got into a confusing and hopeless backlog. Last time around, therefore, we went to a flat daily rate. This has been working effectively. We get money to the pensioners much more quickly and they understand the benefit.

The union demand is to continue insurance during strikes. We do have a provision to continue monthly and we have. We do not require people to contribute during the strike as there are all kinds of problems so when the employee comes back to work we double up on deductions. If an employee feels that's too much, he can re-sign based on his being able to pass a physical.

EXHIBIT NO. K-2 to Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 42A)
"IUE Minutes of IUE-GE Negotiating Committee Meeting September 18, 1969.

WILLIS: S&A - 52 Weeks 2/3 Pay
Company position is 50% is the proper level of benefits. This is pretty well standard. SUB plans pay 72%. There are some that go above this. We have explored the problem and feel that our level of benefits is correct. 52 weeks is a long term disability. We expect to provide long term disability benefits for hourly employees. We are working on it now. We have a plan now for salaried employees who make $7,000 per year or up. This would be an employee-pay-all. It indicates it will be a little more expensive for hourly than for salaried employees. This would pick up after 6 months.

Six Weeks for Pregnancy
We don't feel any obligation to pay for pregnancy as it is a long planning type situation.

Non Contributory Life Insurance for Early Retirees
We are more liberal than others.

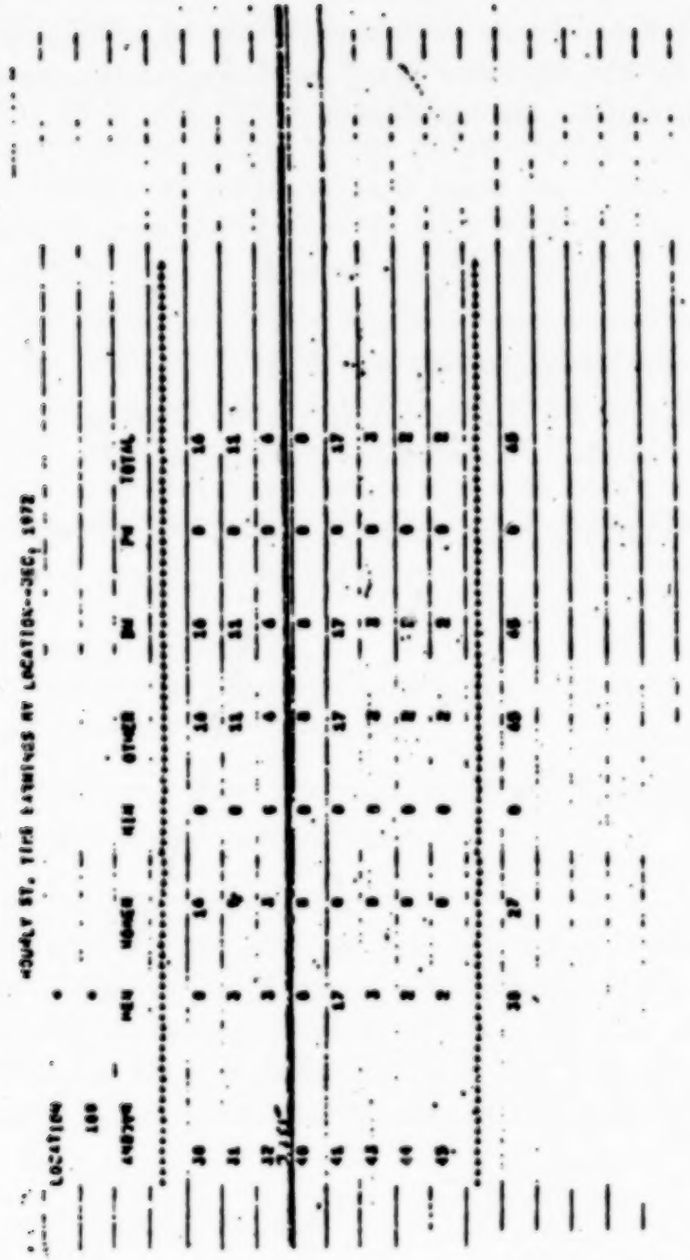
Retirees Full Insurance Coverage
We did this originally and got into a hopeless backlog of claims. The last negotiations we changed to the fast moving plan to make up for other expenses after medicare. This has been working well and this is sound for pensioners. If we went back we would have lots of problems.

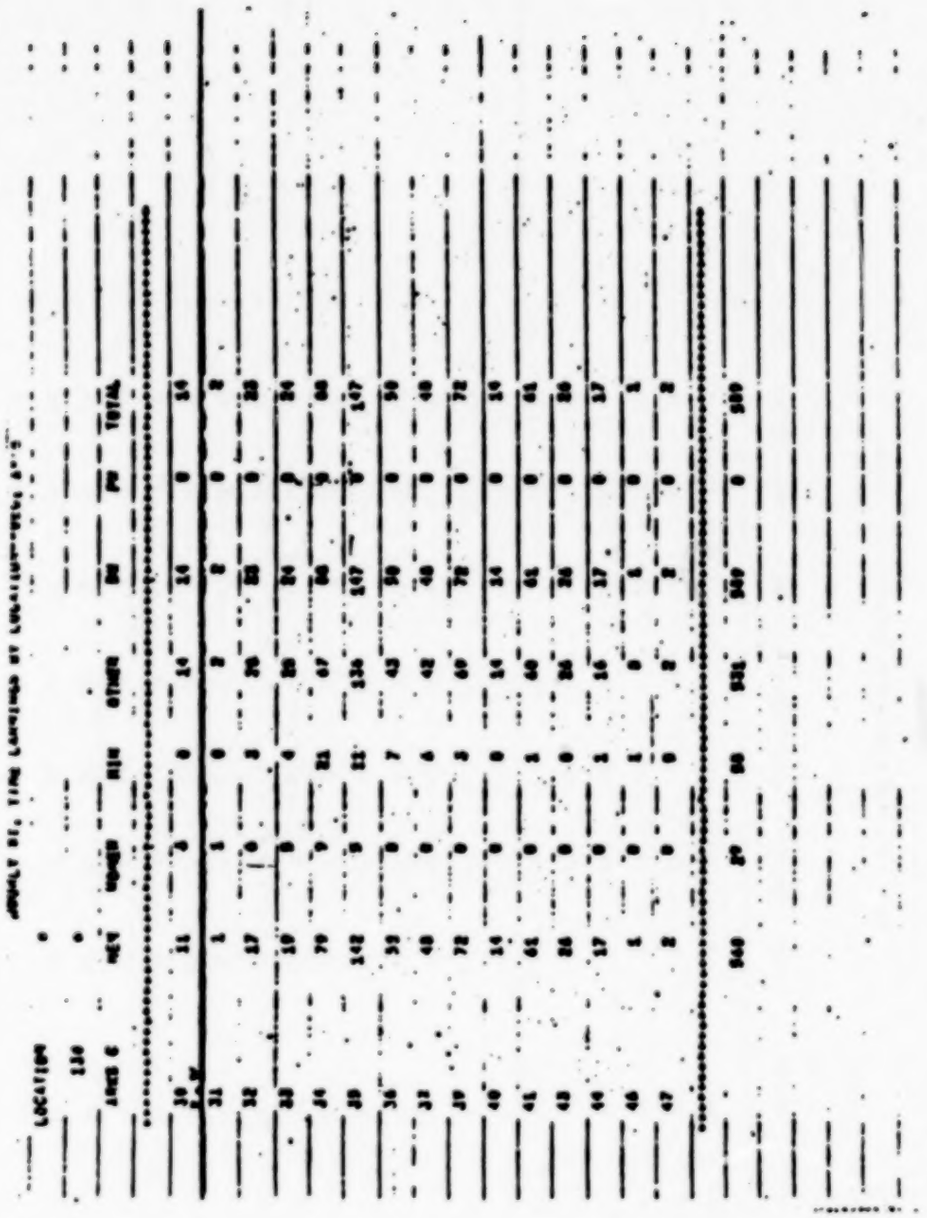
Insurance - Strike Coverage
We do continue our insurance on a month to month

basis. Except for the S & A benefit which ends after 30 days. We don't collect during the strike. We continue the insurance and then collect double after the strike. An employee can refuse double payments by signing up new again for the insurance plan, and giving health proof for himself and all his dependents.

(PLAINTIFFS' EXHIBITS NO. 43)
"GE records on Hourly Straight Time Earnings of Employees at Plants Represented by IUE in 1972.

EXHIBIT NOS. L–1 to L–70 to Pre-Trial Stipulation of Facts





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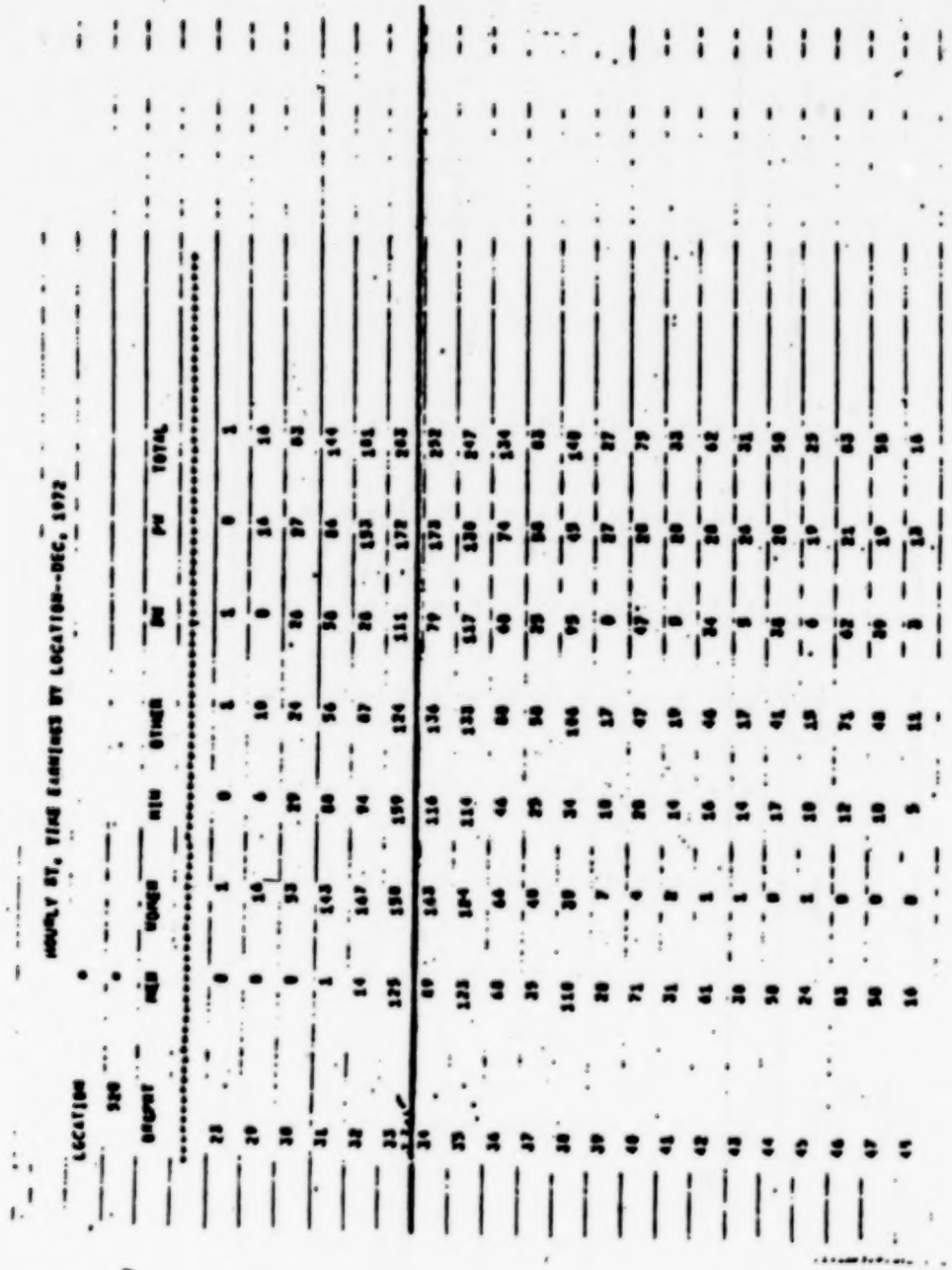

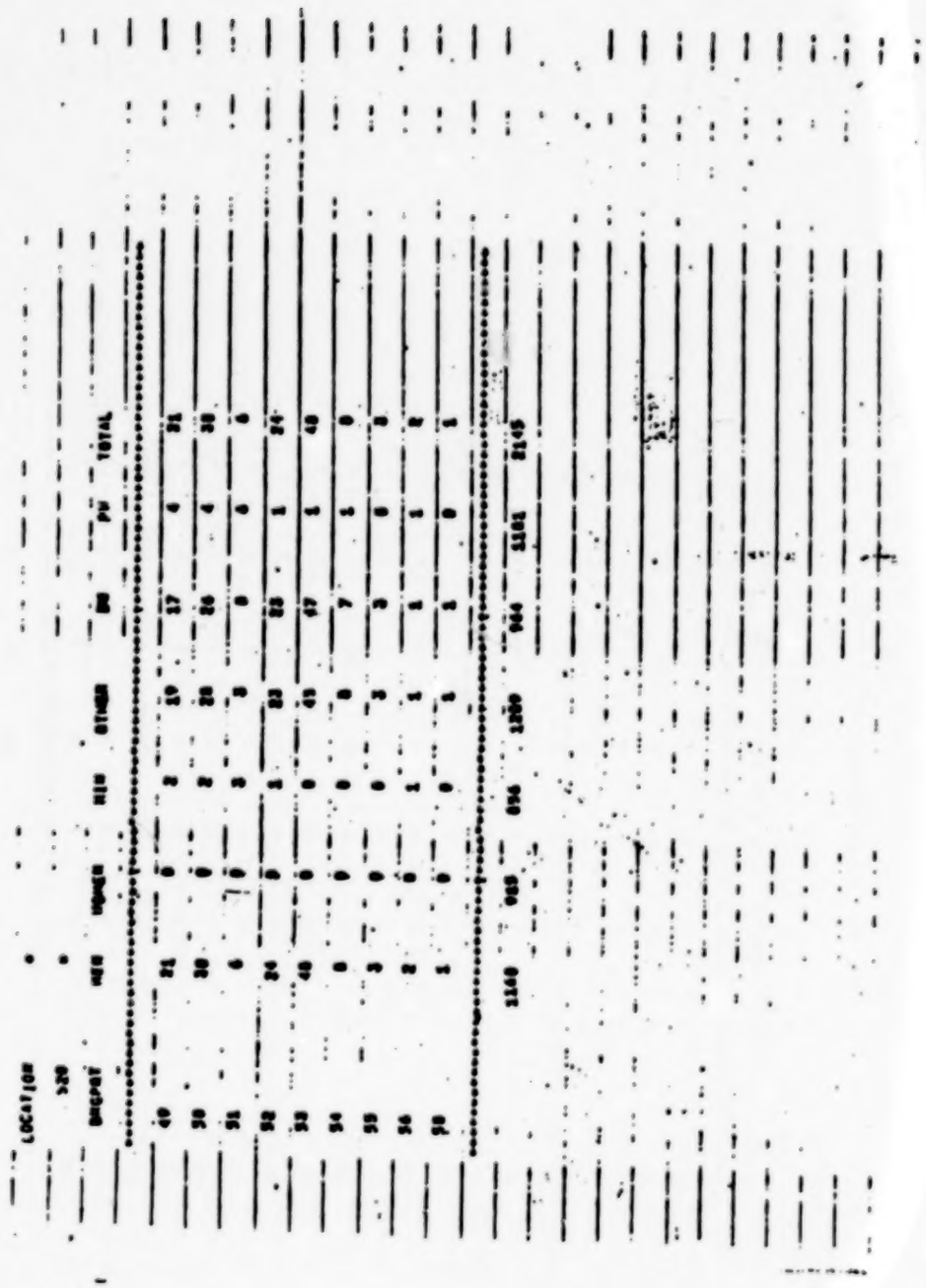

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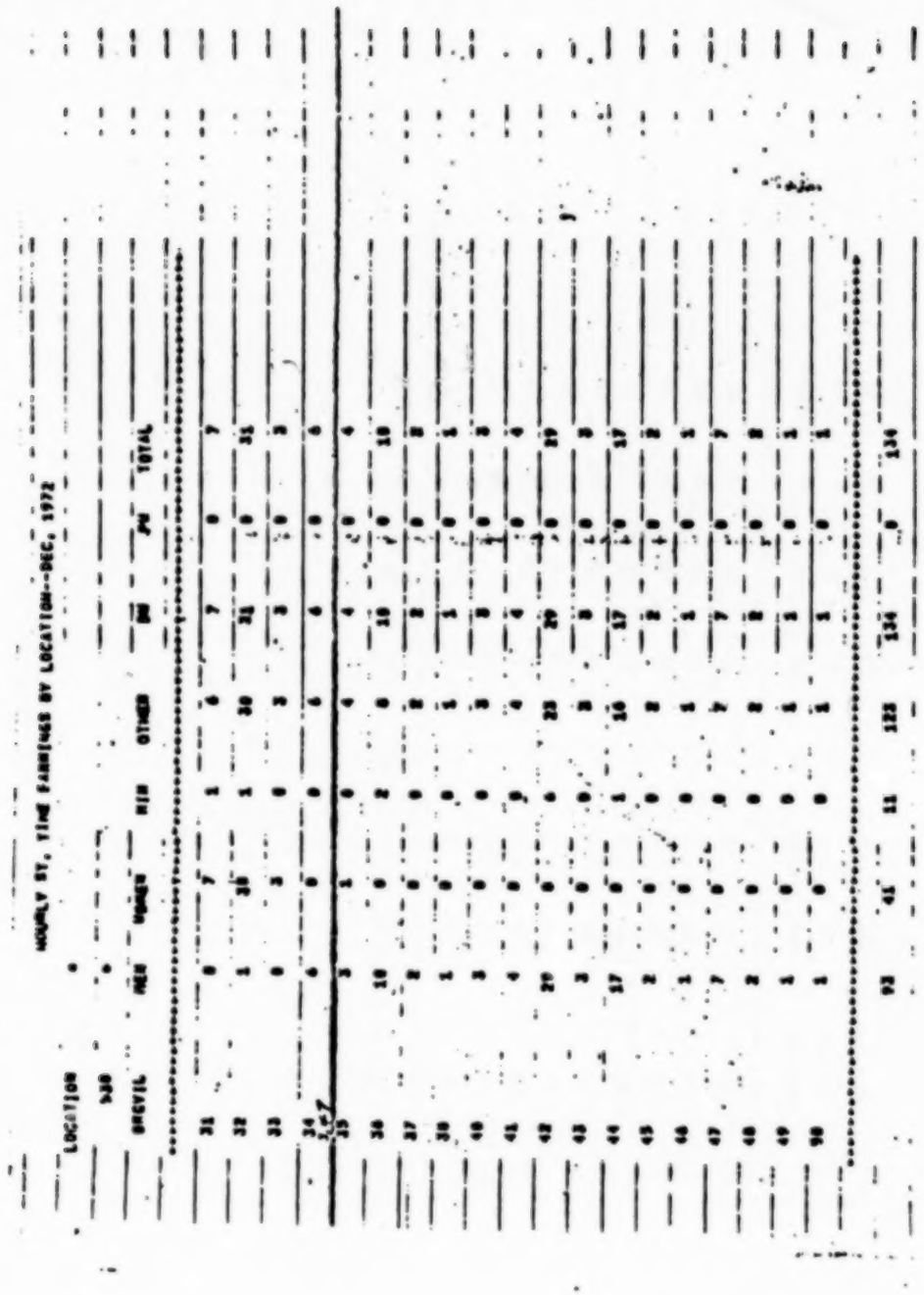

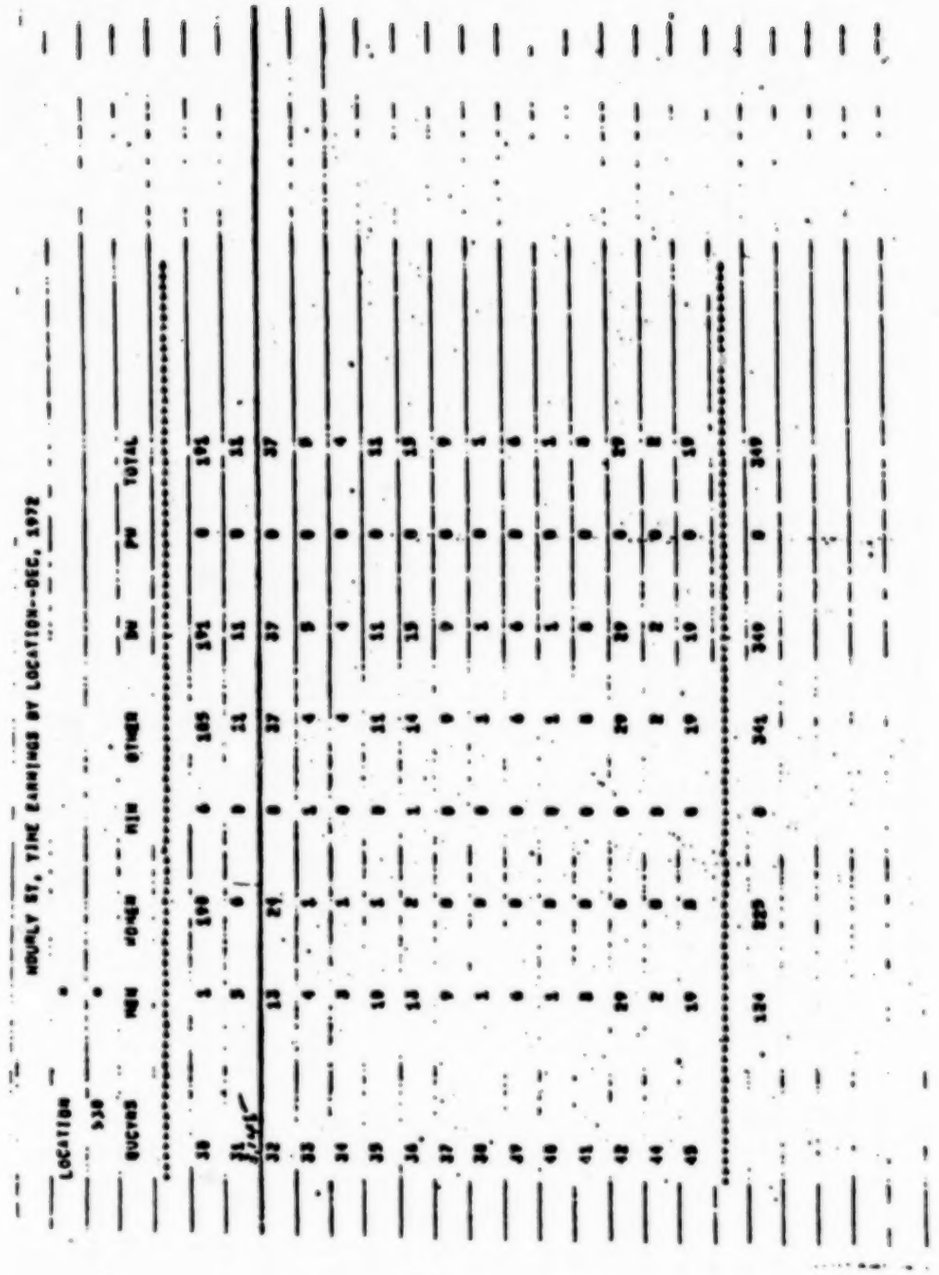

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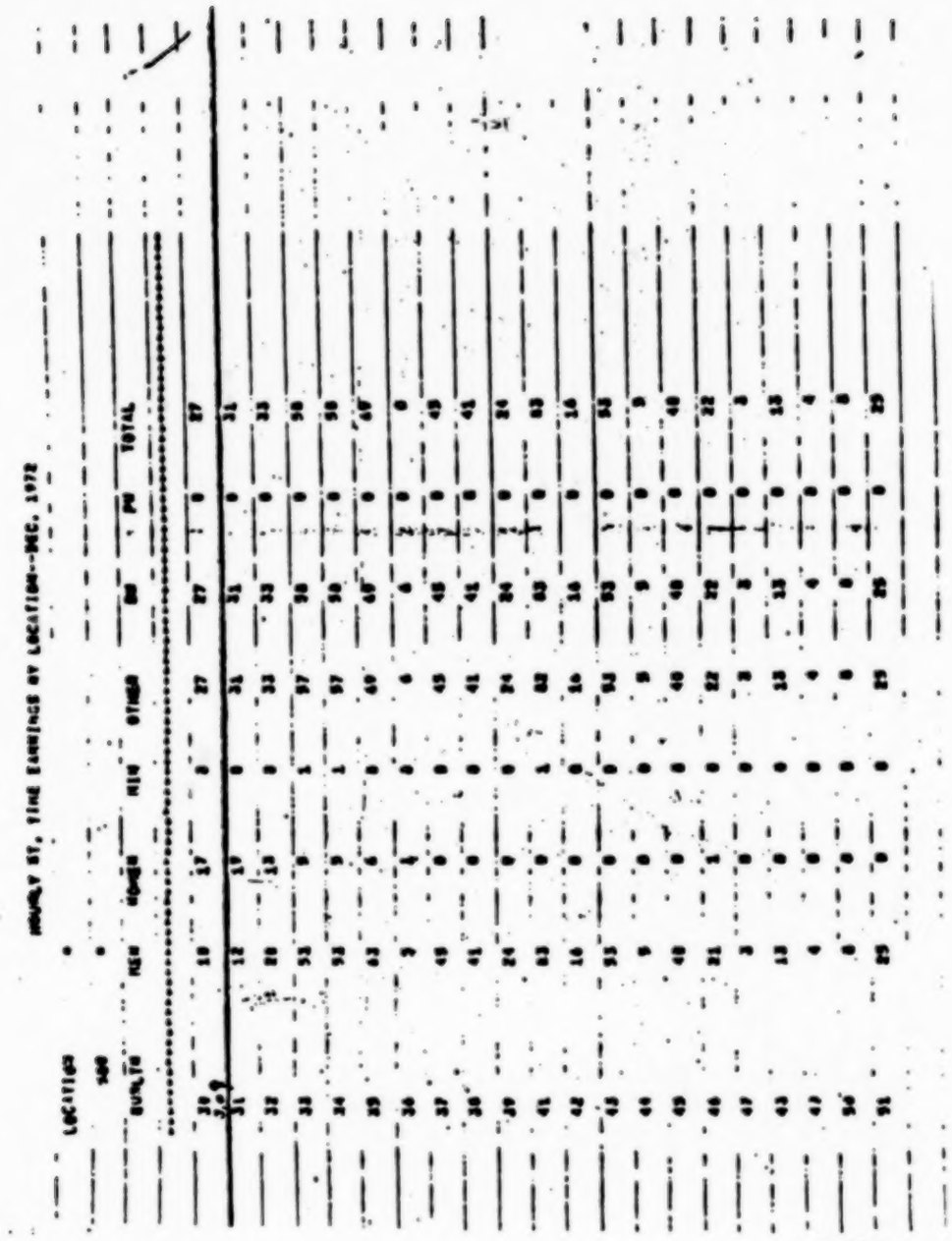

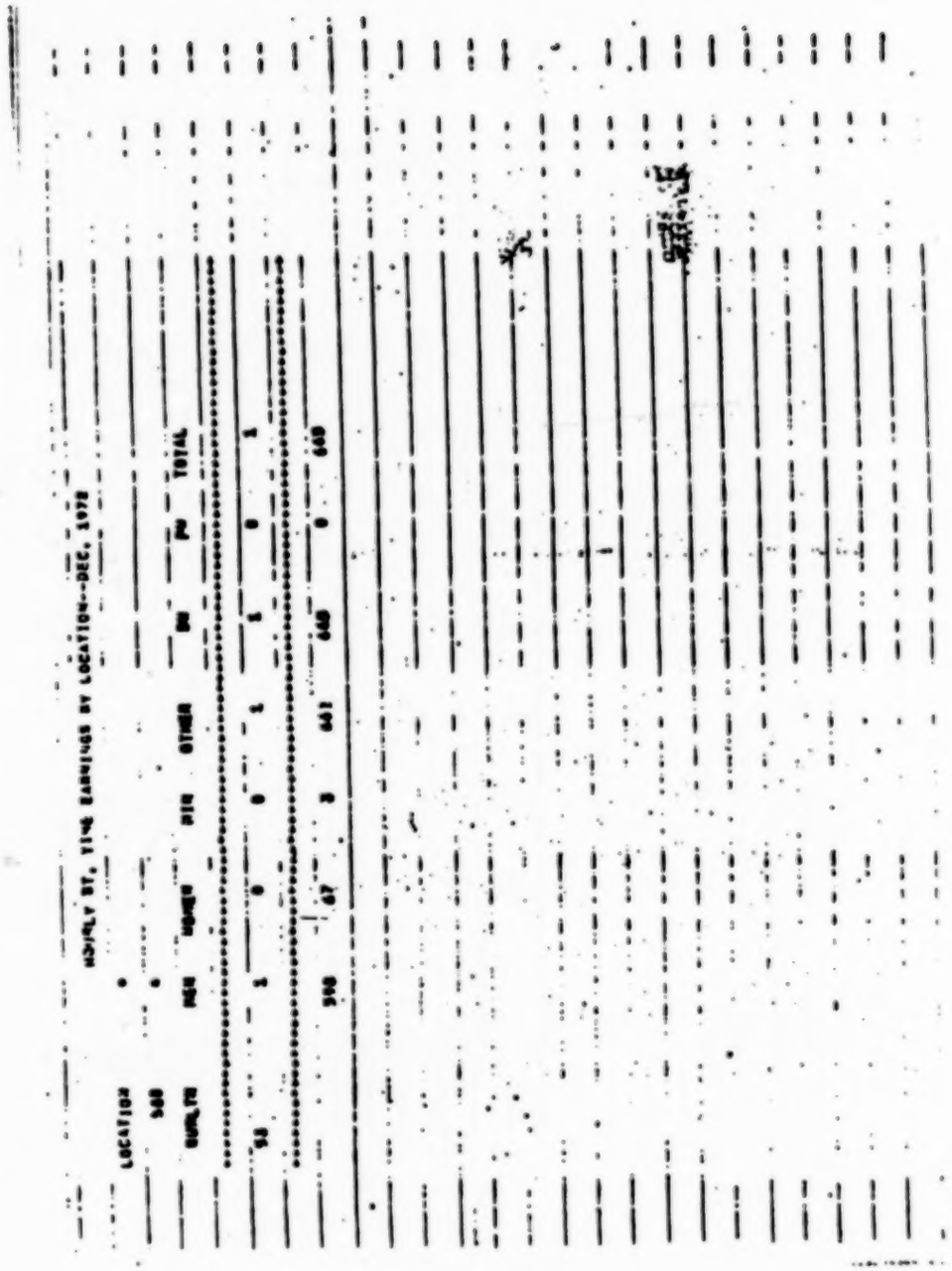

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HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
000

CLEVEL	MEN	WOMEN	MIN	OTHER	DU	PU	TOTAL
27	1	0	1	0	1	0	1
30	0	1	0	1	1	0	1
31	0	3	1	2	3	0	3
32	7	77	9	75	74	10	84
33	3	187	89	101	189	1	190
34	38	92	35	95	129	1	130
35	35	69	23	81	102	2	104
36	39	52	21	66	86	1	87
37	23	31	30	24	91	3	94
38	38	2	10	20	40	0	40
39	11	1	3	9	11	1	12
40	48	5	16	36	49	0	49
41	23	0	3	20	23	0	23
42	73	3	17	90	74	2	76
43	33	1	0	20	34	0	34
44	186	3	24	65	188	1	189
45	79	0	11	68	79	0	79
46	28	0	1	27	28	0	28
47	82	0	6	76	82	0	82
48	166	5	1	169	166	0	166
49	39	0	0	39	39	0	39

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
000

CLEVEL	MEN	WOMEN	MIN	OTHER	DU	PU	TOTAL
50	110	0	3	107	110	0	110
51	52	0	2	50	52	0	52
52	19	0	0	19	19	0	19
53	43	0	0	43	43	0	43
54	19	0	0	19	19	0	19
55	6	0	0	6	6	0	6
56	2	0	0	2	2	0	2
	1951	927	316	1262	1906	32	1970

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

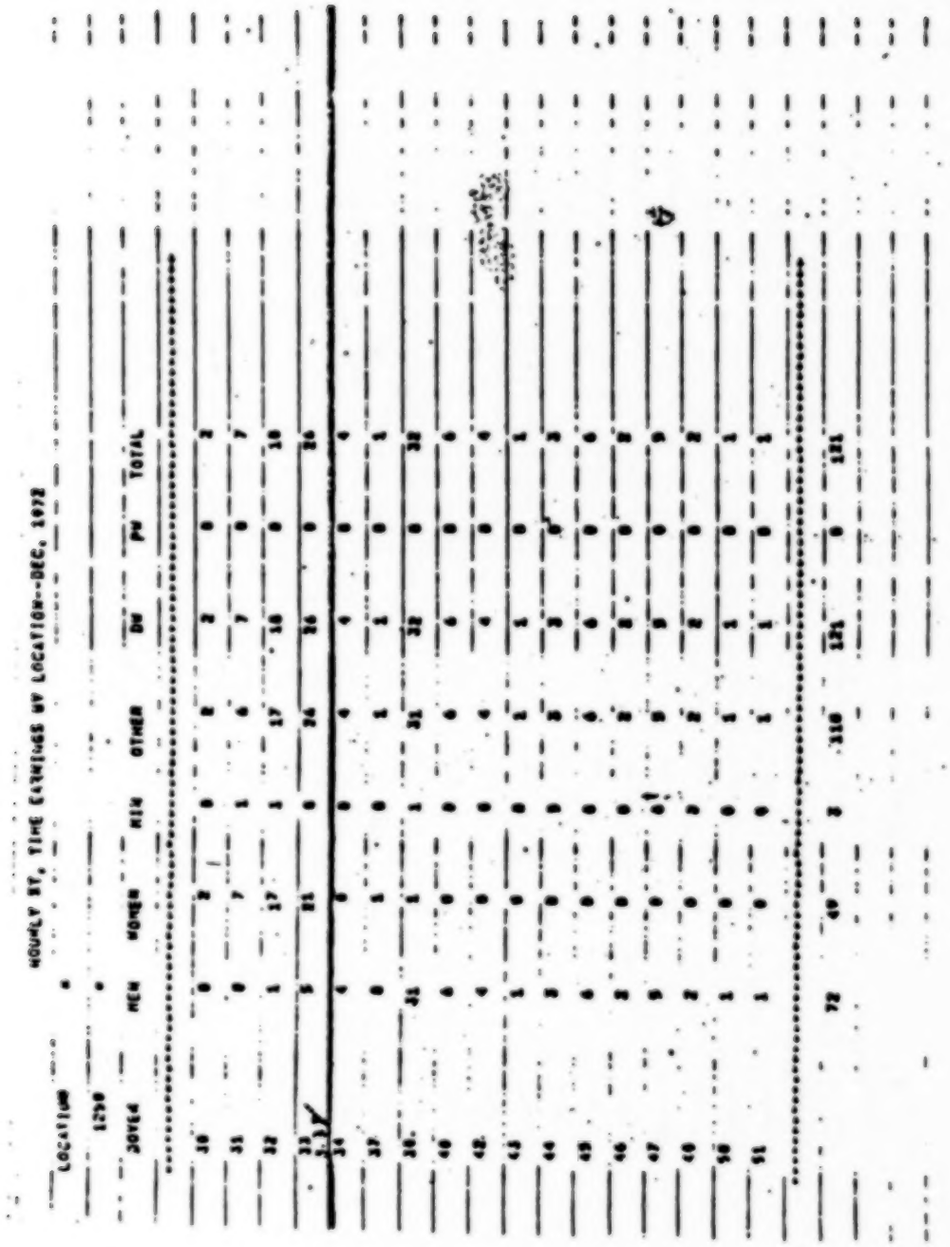
LOCATION 1100

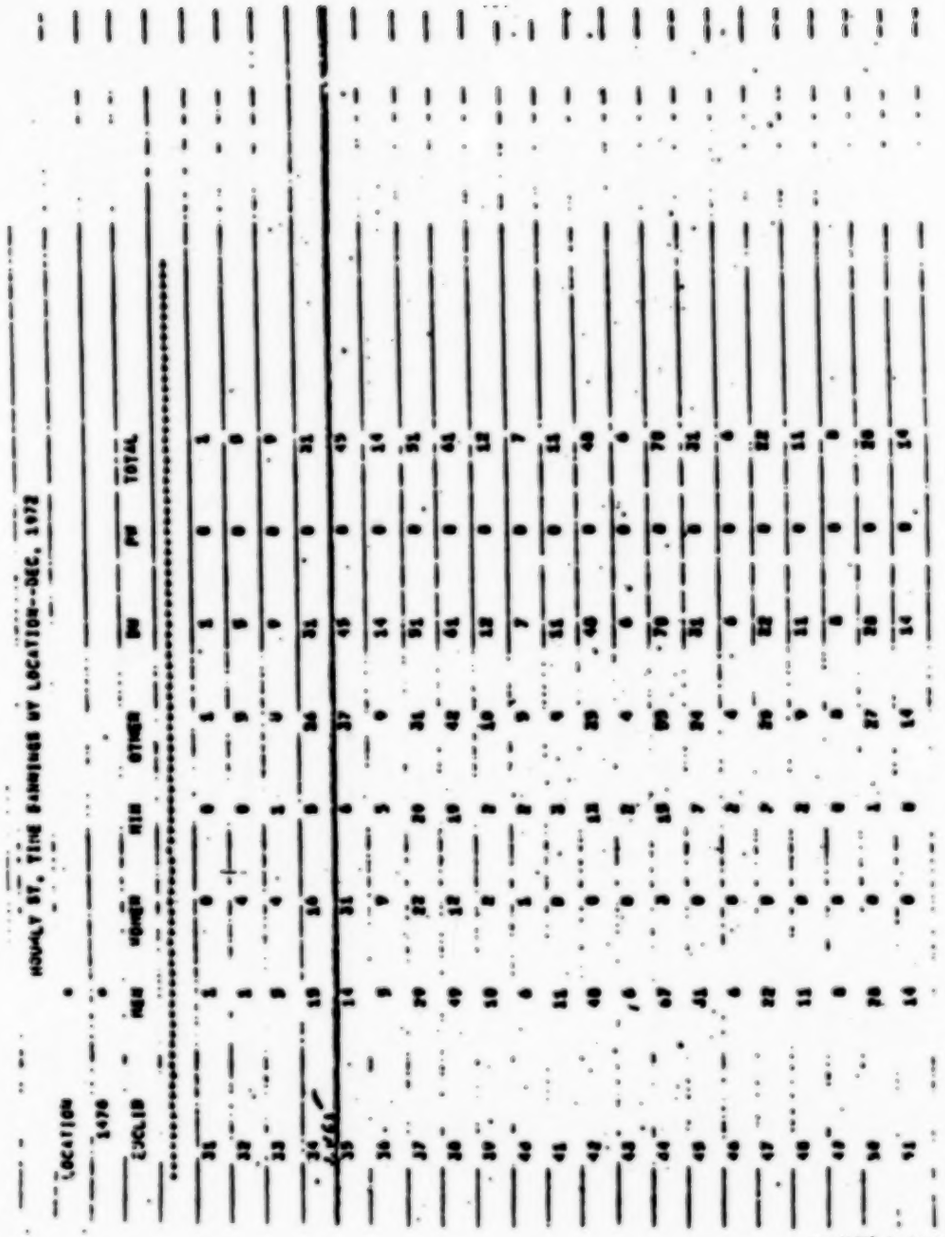
RECALD	MEN	WOMEN	MIN	OTHER	BU	PU	TOTAL
29	0	1	0	1	0	1	1
30	6	21	3	24	22	5	27
31	3	23	1	25	22	4	26
32	14	17	4	29	25	6	31
33	69	46	11	104	105	10	115
34	20	13	0	33	22	11	33
35	10	11	0	21	11	10	21
36	6	15	1	20	11	10	21
37	12	12	1	23	10	14	24
38	1	16	0	17	0	17	17
39	10	16	0	26	15	11	26
40	9	10	1	19	0	19	19
41	15	12	2	29	12	15	27
42	10	15	1	24	10	15	25
43	7	12	1	19	0	19	19
44	17	6	0	23	6	17	23
45	13	8	0	21	10	11	21
46	6	7	2	11	0	13	13
47	9	7	0	16	1	11	12
48	19	2	0	17	0	17	17
49	10	3	0	13	0	13	13

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION 1100

RECALD	MEN	WOMEN	MIN	OTHER	BU	PU	TOTAL
1	9	1	1	9	0	10	10
51	3	0	0	3	0	3	3
52	1	3	1	3	0	4	4
53	1	3	0	4	0	4	4
54	3	1	0	4	0	4	4
55	7	0	0	7	0	7	7
56	1	0	0	1	0	1	1
57	1	0	0	1	0	1	1
60	1	0	0	1	0	1	1
	369	270	32	536	284	284	568





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HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1470

EUCLID	MEN	WOMEN	MIN	OTHER	DU	PU	TOTAL
32	3	0	0	3	3	0	3
33	1	0	0	1	1	0	1
34	1	0	0	1	1	0	1
	302	194	189	307	496	0	496

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1510

EUCLID	MEN	WOMEN	MIN	OTHER	DU	PU	TOTAL
32	5	0	2	3	5	0	5
33	11	2	2	11	11	2	13
34	15	1	4	12	12	4	16
35	1	1	1	1	2	0	2
36	22	6	5	23	11	17	28
37	23	0	4	19	7	16	23
38	31	1	4	28	27	5	32
39	19	1	2	18	0	20	20
40	20	1	4	18	11	10	21
41	6	4	1	9	6	4	10
42	62	10	2	70	54	18	72
43	4	7	1	10	2	9	11
44	12	5	3	17	9	8	17
45	12	5	1	16	12	5	17
46	50	1	3	48	47	4	51
47	12	0	1	11	4	8	12
48	14	0	0	14	12	2	14
49	60	0	1	59	50	10	60
50	45	0	1	34	26	9	35
51	19	0	3	16	0	19	19
52	48	1	1	48	25	24	49

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HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1910

EVENTS	MEN	WOMEN	MIN	OTHER	OW	PW	TOTAL
53	47	0	1	46	24	23	47
54	30	5	2	33	0	35	35
55	38	0	4	34	0	38	38
56	31	0	2	29	0	31	31
57	47	0	3	45	0	47	47
58	78	0	2	76	0	78	78
59	83	0	4	79	0	83	83
60	47	0	0	47	0	47	47
61	46	0	2	46	0	48	48
62	41	1	0	42	0	42	42
63	35	1	6	36	0	36	36
64	38	0	2	28	0	38	38
65	13	0	0	13	0	13	13
66	13	0	0	13	0	13	13
67	1	0	0	1	0	1	1
68	3	0	0	3	0	3	3
69	1	0	0	1	0	1	1
	1059	58	63	1049	357	755	1112

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1460

FITCHB	MEN	WOMEN	MIN	OTHER	OW	PW	TOTAL
31	6	0	1	5	6	0	6
32	8	0	1	7	8	0	8
33	22	0	4	18	22	0	22
34	5	1	2	4	6	0	6
35	9	0	1	8	9	0	9
36	17	1	1	17	18	0	18
37	61	0	2	59	61	0	61
38	2	0	0	2	0	2	2
39	39	3	2	40	41	1	42
40	2	0	0	2	2	0	2
41	24	0	0	24	24	0	24
42	19	0	0	19	18	1	19
43	123	1	6	124	123	1	124
44	29	0	0	29	29	0	29
45	2	0	0	2	2	0	2
46	13	0	0	13	11	2	13
47	29	0	0	29	28	1	29
48	6	0	0	6	4	2	6
49	11	0	0	11	9	2	11
50	3	0	0	3	3	0	3
51	1	0	0	1	1	0	1

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1688

FITCHB	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
52	4	0	0	4	4	0	4
53	3	0	0	3	3	0	3
54	3	0	0	3	1	2	3
55	6	0	0	6	5	1	6
56	10	0	0	10	8	2	10
57	4	0	0	4	2	2	4
58	2	0	0	2	0	2	2
60	1	0	0	1	0	1	1
61	3	0	1	2	0	3	3
62	1	0	0	1	0	1	1
64	1	0	0	1	0	1	1
65	1	0	0	1	0	1	1
69	1	0	0	1	0	1	1
70	1	0	0	1	0	1	1
	472	6	15	463	448	30	478

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1688

FT SYM	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
24	0	1	0	1	1	0	1
25	0	1	0	1	1	0	1
28	1	1	1	1	1	1	2
29	2	109	31	80	0	111	111
30	0	73	25	48	0	73	73
31	0	58	11	47	7	51	58
32	6	162	41	127	47	121	168
33	37	310	61	286	261	86	347
34	29	155	23	161	105	79	184
35	111	128	51	188	150	89	239
36	105	184	49	310	255	124	379
37	161	158	54	260	172	142	314
38	271	162	52	381	281	152	433
39	25	103	14	114	25	103	128
40	149	120	35	234	172	97	269
41	36	80	12	104	33	83	116
42	239	59	25	273	242	56	298
43	27	52	14	65	12	67	79
44	149	36	18	167	125	80	205
45	62	47	18	91	24	85	109
46	46	45	11	80	17	74	91

HOURLY ST, TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1=60

FT LYN	MEN	WOMEN	MIN	OTHER	DU	PW	TOTAL
47	107	45	19	133	61	91	152
48	147	26	14	159	62	111	173
49	95	20	16	99	12	103	115
50	180	19	22	177	86	113	199
51	111	10	14	107	20	101	121
52	77	12	16	70	0	89	89
53	103	13	15	103	16	100	116
54	55	7	7	55	5	57	62
55	49	4	2	51	0	53	53
56	42	5	1	46	1	46	47
57	28	4	4	28	0	32	32
58	31	3	3	32	0	34	34
59	19	4	3	20	0	22	22
60	18	3	1	20	0	21	21
61	9	3	3	9	0	12	12
62	7	1	2	6	0	0	0
63	10	0	0	10	0	10	10
64	5	0	1	4	0	5	5
65	4	0	0	4	0	4	4
66	3	0	0	3	0	3	3
67	1	0	0	1	0	1	1

HOURLY ST, TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
1=60

FT LYN	MEN	WOMEN	MIN	OTHER	DU	PW	TOTAL
68	2	0	0	2	0	2	2
70	1	0	1	0	0	1	1
74	1	0	0	1	0	1	1
76	1	0	0	1	0	1	1
	2434	2258	703	4189	2196	2696	4892

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
2077

HICKEY	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
28	5	1	4	2	6	0	6
29	8	0	6	2	8	0	8
30	238	22	52	208	260	0	260
31	45	6	9	42	51	0	51
32	213	6	26	193	219	0	219
33	188	4	37	155	192	0	192
34	216	1	44	173	217	0	217
35	40	0	3	37	38	0	38
36	109	0	11	98	109	0	109
38	29	0	4	25	29	0	29
39	99	0	11	88	99	0	99
40	2	0	1	1	2	0	2
41	12	0	0	12	12	0	12
42	18	0	0	18	18	0	18
45	26	0	0	26	26	0	26
48	2	0	0	2	2	0	2
49	2	0	0	2	2	0	2
51	1	0	0	1	1	0	1
52	2	0	0	2	2	0	2
	1749	40	208	1077	1285	0	1285

906

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
2100

COLLAR	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
30	1	44	9	36	44	0	44
31	11	134	27	118	145	0	145
32	9	143	32	116	148	0	148
33	36	169	46	159	203	0	203
34	44	53	14	84	97	0	97
35	43	24	12	55	67	0	67
36	47	6	14	39	53	0	53
37	37	0	0	37	37	0	37
38	7	0	1	6	7	0	7
39	17	0	0	12	17	0	17
40	1	0	0	1	1	0	1
41	9	0	1	8	9	0	9
42	29	0	0	29	29	0	29
43	2	0	0	2	2	0	2
44	6	0	0	6	6	0	6
45	42	0	1	41	42	0	42
47	20	0	0	20	20	0	20
51	2	0	0	2	2	0	2
52	9	0	0	9	9	0	9
53	1	0	0	1	1	0	1
54	1	0	0	1	1	0	1

907

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
2100

DOLLAR	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
	368	568	157	779	936	0	936

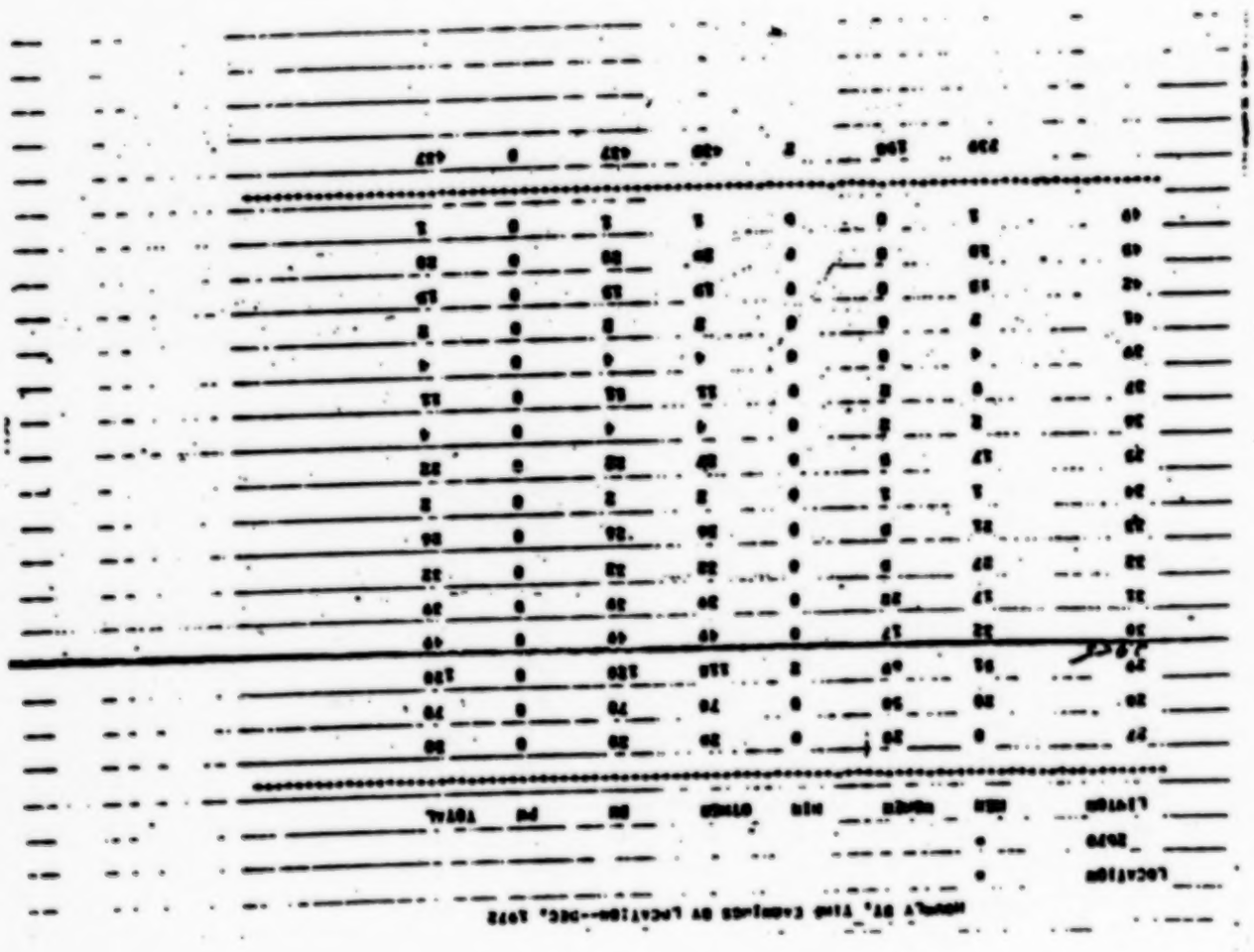
808

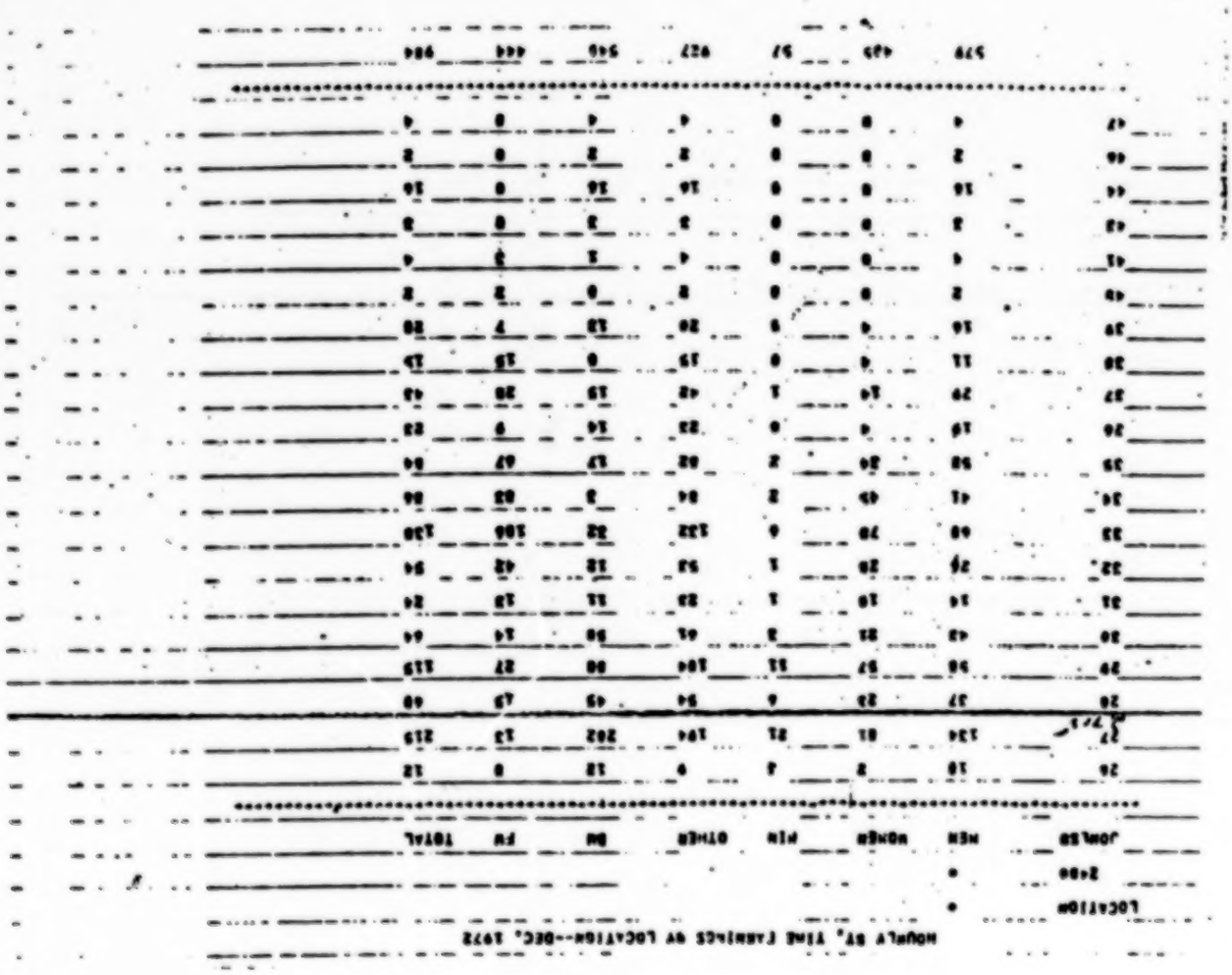
HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
2120

HOUSTO	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
31	4	0	2	2	4	0	4
32	29	28	21	29	43	0	43
33	0	2	0	1	2	0	2
34	0	0	5	11	16	0	16
37	3	2	3	4	7	0	7
38	1	0	0	1	1	0	1
42	1	0	0	1	1	0	1
43	1	0	0	1	1	0	1
44	2	0	1	1	2	0	2
45	1	0	0	1	1	0	1
	43	33	32	46	78	0	78

606





HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
2948
LOUISV

	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
30	31	30	23	38	2	59	61
31	48	79	38	97	10	117	127
32	178	154	69	243	120	212	332
33	341	135	132	384	191	325	516
34	515	151	120	538	324	342	666
35	400	262	140	532	132	530	662
36	1203	986	418	1773	419	1774	2193
37	1645	845	381	2109	395	2139	2490
38	1808	915	304	2099	290	2113	2403
39	1539	120	176	1486	83	1579	1662
40	1301	62	136	1313	432	1011	1443
41	649	34	66	656	48	684	724
42	762	93	96	779	228	615	839
43	325	10	23	312	8	327	335
44	269	4	11	262	99	174	273
45	320	6	4	322	243	81	324
46	44	1	3	42	12	33	45
47	91	0	2	89	84	7	91
48	34	0	2	32	32	2	34
49	10	0	0	10	9	1	10
50	122	0	1	121	122	0	122

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
2948
LOUISV

	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
51	473	0	6	467	473	0	473
52	1	0	0	1	1	0	1
53	9	0	0	9	9	0	9
54	20	0	0	20	20	0	20
55	30	0	0	30	30	0	30
57	3	0	0	3	3	0	3
	12454	3452	2117	13789	3705	12121	15906

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
3230

HEMPHS	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
29	1	53	31	23	2	52	54
30	13	333	170	176	306	40	346
31	6	131	56	79	104	33	137
32	17	61	28	50	23	55	78
33	6	52	17	43	0	58	58
34	2	31	6	25	3	30	33
35	2	32	10	24	2	32	34
36	6	20	9	17	6	20	26
37	7	17	7	17	7	17	24
38	6	17	7	16	7	16	23
39	7	8	5	10	7	8	15
40	41	10	10	41	41	10	51
41	3	5	3	5	3	5	8
42	16	3	2	17	16	3	19
43	2	5	0	7	2	5	7
44	46	3	3	46	46	3	49
45	126	2	0	128	126	2	128
46	2	1	0	3	2	1	3
47	3	1	1	3	3	1	4
48	38	1	0	39	38	1	39
50	0	1	0	1	0	1	1

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
3230

HEMPHS	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
	352	787	369	770	752	387	1139

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION						
3460						
WEEKS	MEN	WOMEN	MIN	OTHER	PW	TOTAL
173	295	300	100			

1203

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION						
3460						
WEEKS	MEN	WOMEN	MIN	OTHER	PW	TOTAL

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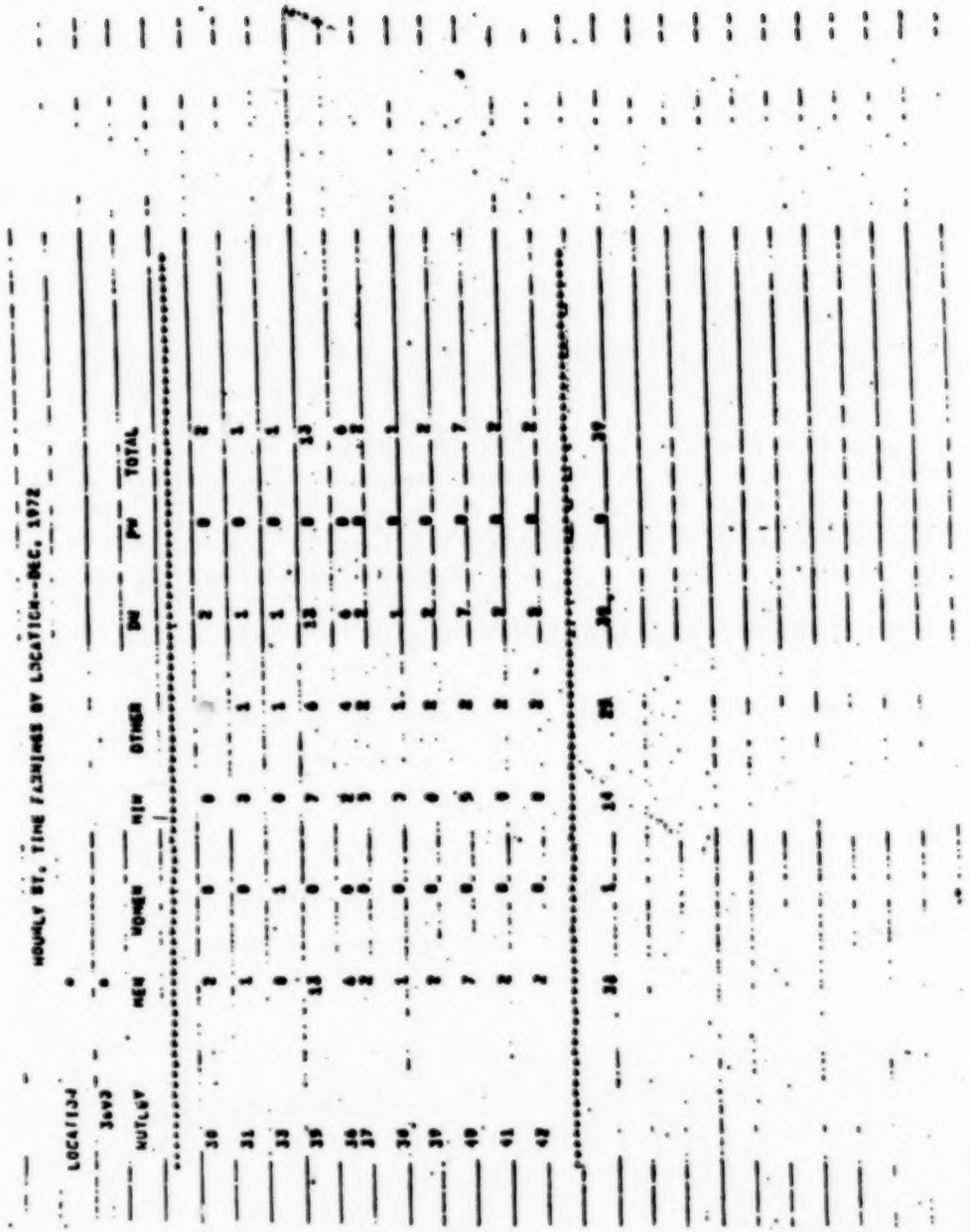
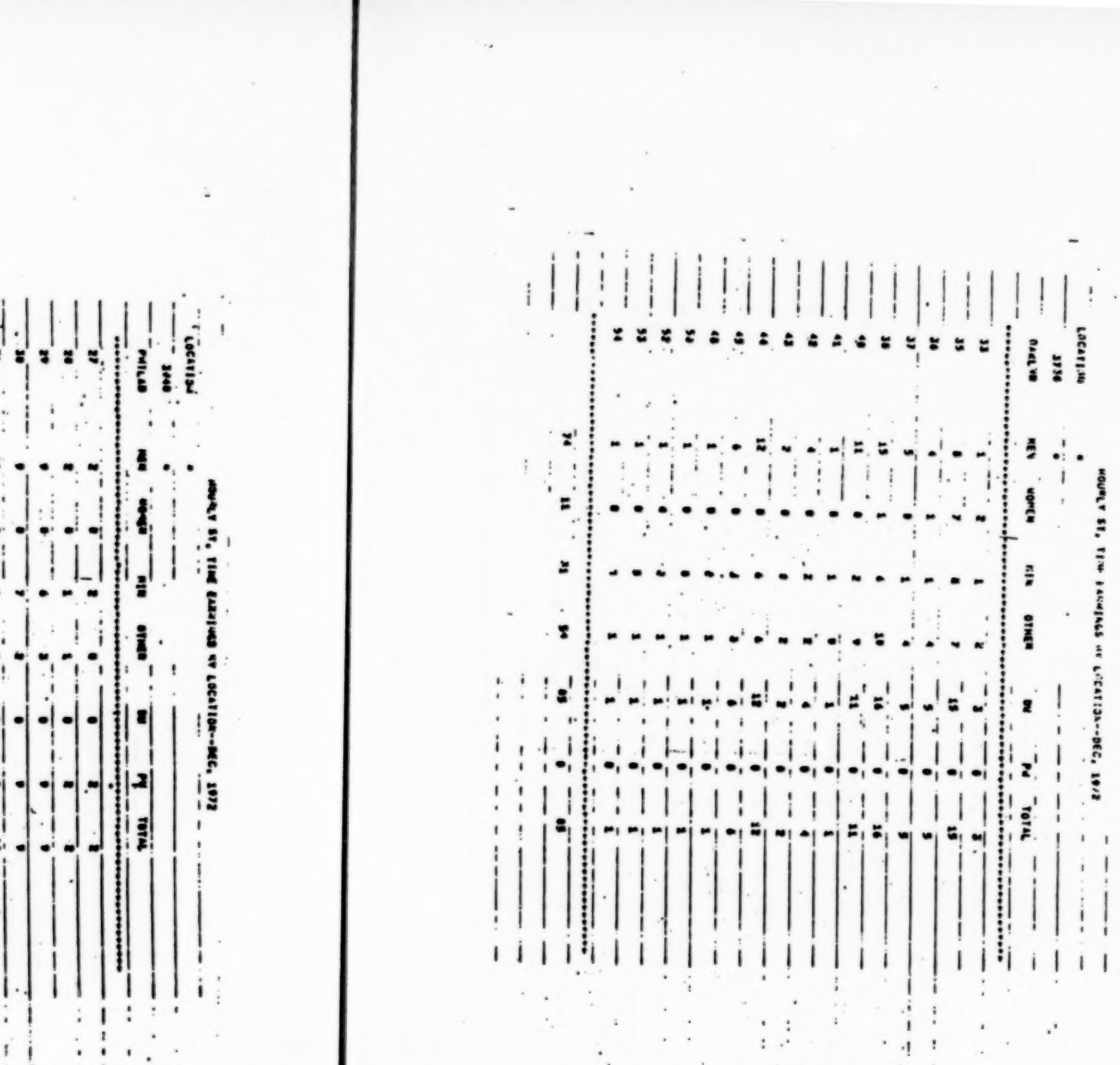
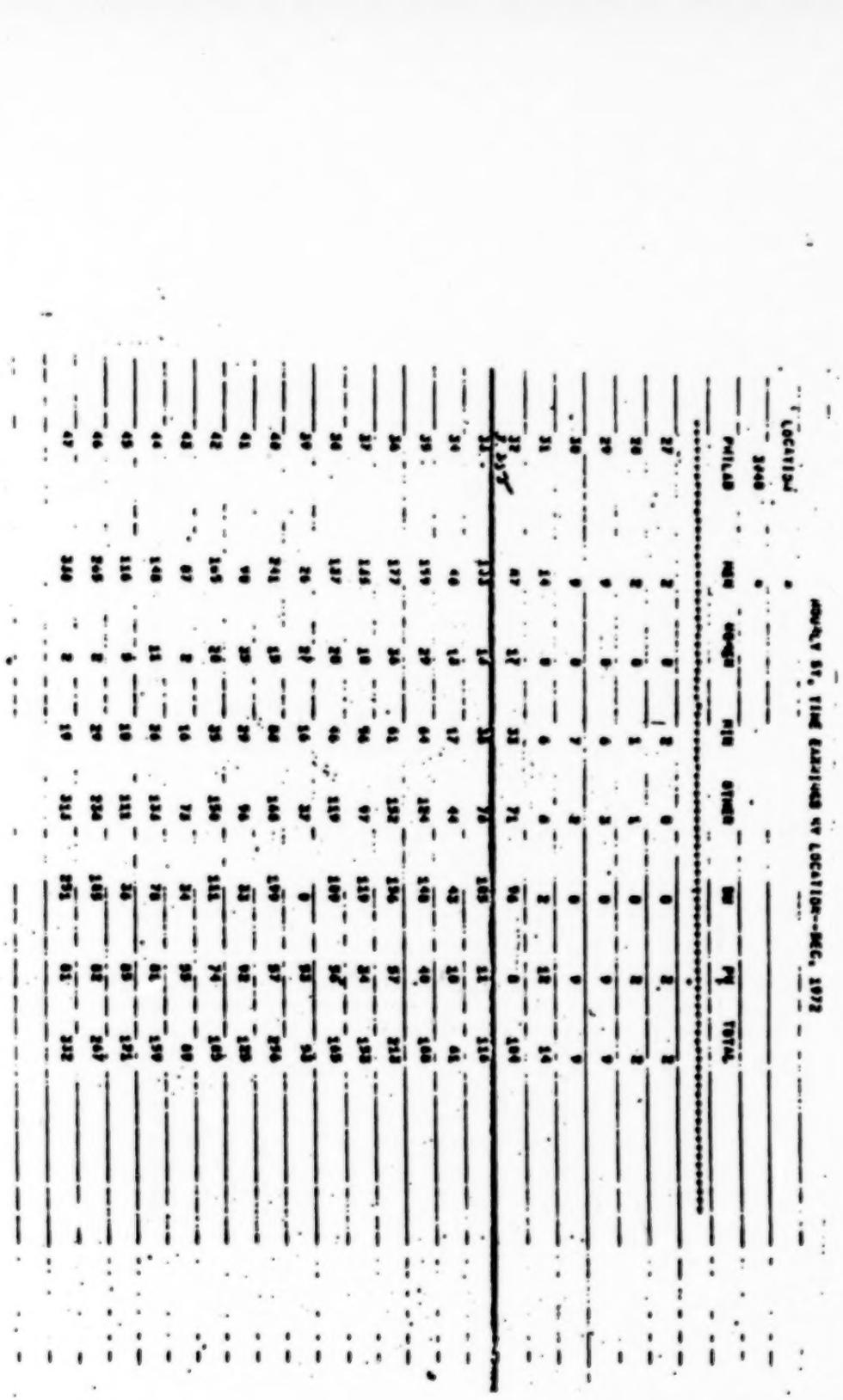






HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

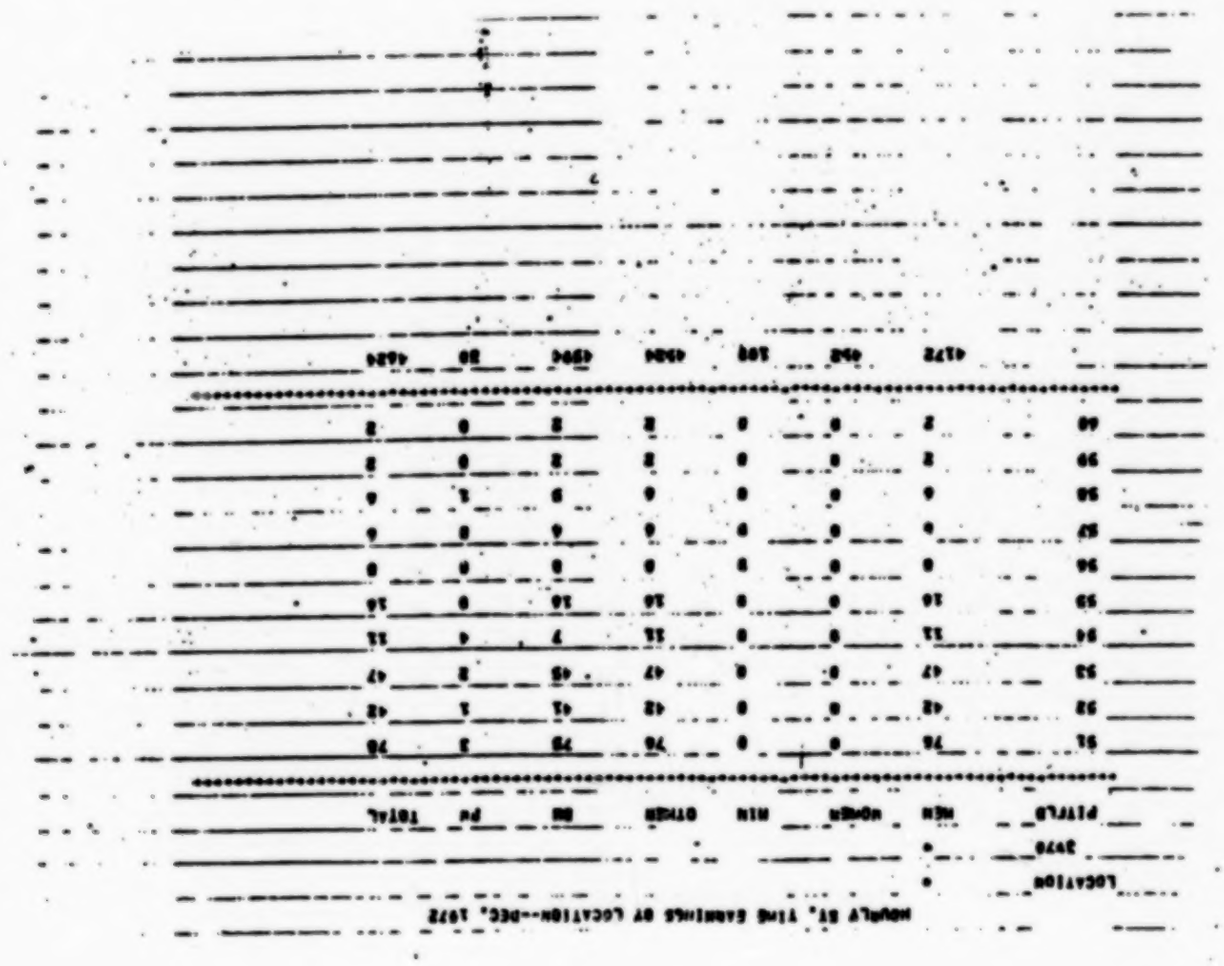
LOCATION •
3940 •

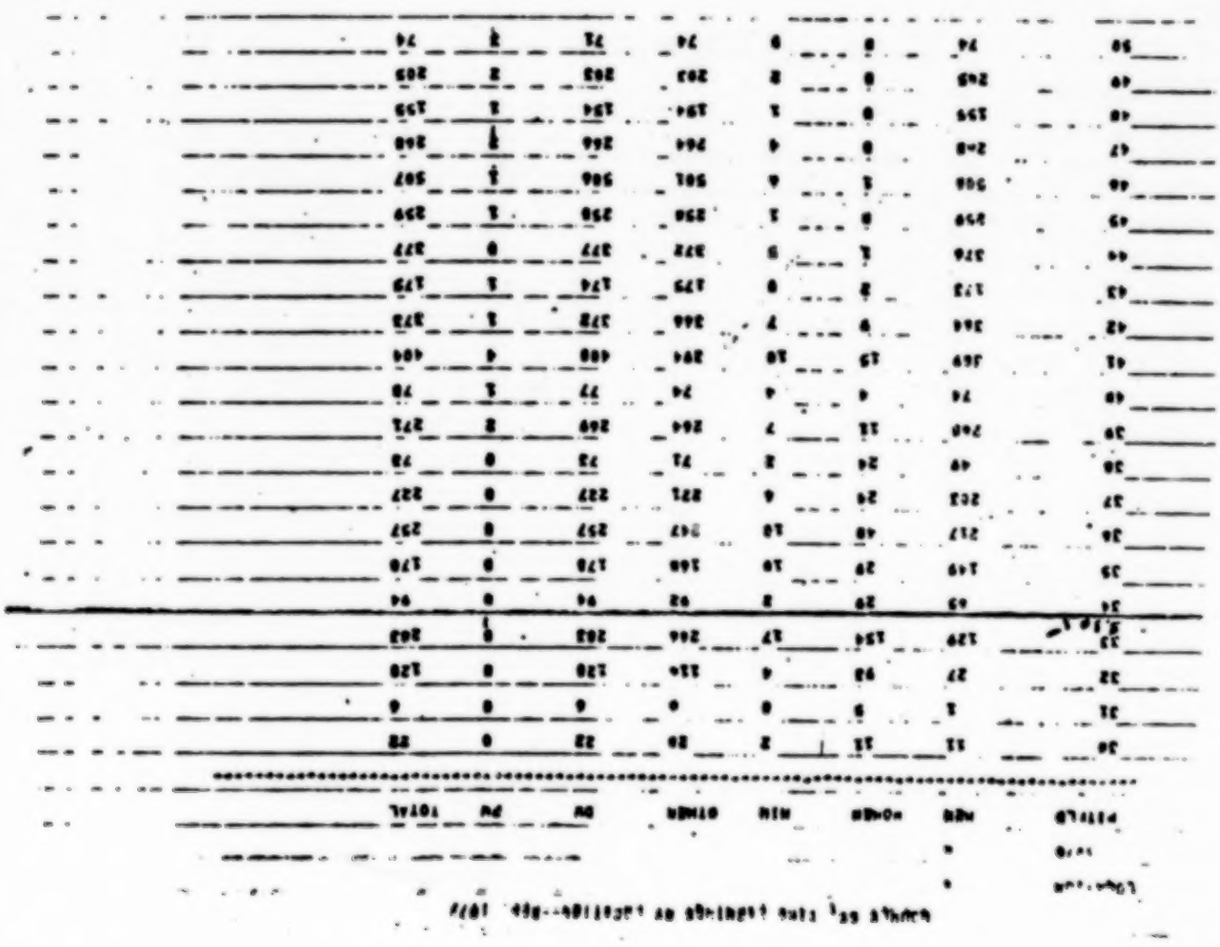
PHILAB	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
48	80	2	15	67	15	67	82
49	152	1	14	139	63	90	153
50	111	0	5	106	34	77	111
51	71	0	3	68	2	69	71
52	89	0	10	79	27	62	89
53	75	0	3	72	18	57	75
54	66	0	2	64	2	64	66
55	43	1	2	42	0	44	44
56	48	1	5	44	2	47	49
57	27	0	2	25	0	27	27
58	27	0	2	25	0	27	27
59	38	0	1	29	0	38	38
60	33	0	4	29	0	33	33
61	40	0	0	38	0	38	38
62	24	0	0	24	0	24	24
63	22	0	1	21	0	22	22
64	24	0	1	23	0	24	24
65	14	0	1	13	0	14	14
66	16	0	0	16	0	16	16
67	12	0	0	12	0	12	12
68	11	0	0	11	0	11	11

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION •
3940 •

PHILAB	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
69	12	0	0	12	0	12	12
70	6	0	0	6	0	6	6
71	9	0	1	8	0	9	9
72	11	0	0	11	0	11	11
73	2	0	0	2	0	2	2
74	4	0	0	4	0	4	4
75	3	0	0	3	0	3	3
76	2	0	0	2	0	2	2
77	3	0	0	3	0	3	3
78	6	0	0	6	0	6	6
79	2	0	1	2	0	3	3
80	3	0	0	3	0	3	3
81	2	0	0	2	0	2	2
82	1	0	0	1	0	1	1
84	1	0	0	1	0	1	1
87	1	0	0	1	0	1	1
	3426	270	676	3020	1868	1824	3704





HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
4036

PROVID	MEN	WOMEN	MIN	OTHER	DU	PW	TOTAL
25	0	1	0	1	0	1	1
26	1	80	22	59	2	79	81
27	0	36	5	31	0	36	36
28	0	49	13	36	8	41	49
29	3	61	6	58	14	50	64
30	28	83	11	100	69	42	111
31	9	50	8	51	29	30	59
32	45	42	18	69	62	25	87
33	52	26	9	69	53	25	78
34	27	14	2	39	26	15	41
35	33	11	4	40	27	17	44
36	20	2	0	22	14	8	22
37	22	5	3	24	20	7	27
38	31	4	2	33	26	9	35
39	16	3	1	18	13	6	19
40	8	1	0	9	5	4	9
41	25	0	1	24	23	2	25
42	24	1	2	23	19	6	25
43	13	1	0	14	8	6	14
44	17	1	1	17	13	5	18
45	6	1	2	5	0	7	7

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
4036

PROVID	MEN	WOMEN	MIN	OTHER	DU	PW	TOTAL
46	10	0	0	10	7	3	10
47	14	0	1	13	8	6	14
48	9	0	0	9	3	6	9
49	27	0	1	26	24	3	27
91	2	0	0	2	1	1	2
92	2	0	1	1	1	1	2
93	1	0	0	1	1	0	1
94	2	0	0	2	0	2	2
97	1	0	0	1	0	1	1
98	1	0	0	1	0	1	1
	449	478	113	800	476	445	921

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION •
4417 •

SALEH	MEN	WOMEN	MIN	OTHER	DU	PU	TOTAL
29	2	7	5	9	18	0	18
30	133	215	98	250	348	0	348
31	56	244	48	240	300	0	300
32	169	73	41	197	238	0	238
33	301	58	56	303	359	0	359
34	132	14	21	125	146	0	146
35	65	1	9	57	66	0	66
36	453	19	48	424	472	0	472
37	7	0	0	7	7	0	7
38	61	0	4	57	61	0	61
39	188	0	4	96	188	0	188
41	116	0	6	110	116	0	116
42	9	0	0	9	9	0	9
43	72	0	1	71	72	0	72
45	3	0	0	3	3	0	3
46	17	0	0	17	17	0	17
48	4	0	0	4	4	0	4
92	8	0	1	7	8	0	8
	1705	631	344	1990	2336	0	2336

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

| LOCATION | | |

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION *
4500 *

SCHEDT	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
30	0	4	0	4	4	0	4
31	33	96	8	121	129	0	129
32	95	0	7	97	104	0	104
33	478	90	44	524	568	0	568
34	265	68	18	267	285	0	285
35	554	116	45	625	670	0	670
36	648	87	36	699	735	0	735
37	708	61	55	714	769	0	769
38	344	69	46	863	909	0	909
39	194	21	6	209	215	0	215
40	627	13	29	611	640	0	640
41	267	6	11	262	273	0	273
42	949	3	44	908	952	0	952
43	276	3	7	272	279	0	279
44	1264	4	21	1247	1268	0	1268
45	728	2	24	716	738	0	738
46	259	0	4	255	259	0	259
47	498	0	2	496	498	0	498
48	1541	1	4	1538	1542	0	1542
49	198	0	6	186	198	0	198
50	399	0	5	394	399	0	399

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION *
4500 *

SCHEDT	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
51	210	0	1	209	210	0	210
52	107	0	0	107	107	0	107
53	271	0	1	270	271	0	271
54	97	0	0	97	97	0	97
55	105	0	2	103	105	0	105
56	106	0	0	106	106	0	106
57	36	0	0	36	36	0	36
58	48	0	0	48	48	0	48
59	18	0	0	18	18	0	18
60	5	0	0	5	5	0	5
61	5	0	0	5	5	0	5
63	2	0	0	2	2	0	2
	11243	669	426	11486	11912	0	11912

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
4569

SOUTH	MEN	WOMEN	MIN	OTHER	BW	PU	TOTAL
30	2	0	0	2	2	0	2
31	1	0	0	1	1	0	1
32	5	0	0	5	5	0	5
33	5	0	0	5	5	0	5
34	22	0	0	22	22	0	22
35	18	0	0	18	18	0	18
36	3	0	0	3	3	0	3
37	45	0	1	44	45	0	45
38	41	0	0	41	41	0	41
40	2	0	0	2	2	0	2
41	11	0	0	11	11	0	11
46	2	0	0	2	2	0	2
	157	0	1	156	157	0	157

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
4569

SOUTH	MEN	WOMEN	MIN	OTHER	BW	PU	TOTAL
27	6	41	5	42	47	0	47
29	7	0	0	15	15	0	15
30	3	0	0	3	3	0	3
32	1	0	0	1	1	0	1
33	0	0	0	0	0	0	0
35	4	0	0	4	4	0	4
36	3	0	0	3	3	0	3
37	1	0	0	1	1	0	1
39	1	0	0	1	1	0	1
41	2	0	0	2	2	0	2
42	2	0	0	2	2	0	2
43	11	0	0	11	11	0	11
44	5	0	0	5	5	0	5
47	1	0	0	1	1	0	1
	55	49	5	99	104	0	104

HOURLY ST. TIME [illegible] BY LOCATION--DEC, 1972

LOCATION
4620

SPDFLD	MEN	WOMEN	MIN	OTHER	DN	PU	TOTAL
30	1	0	1	0	1	0	1
31	2	0	2	0	2	0	2
32	2	11	2	11	13	0	13
33	3	11	4	10	14	0	14
34	4	2	1	5	6	0	6
35	17	1	5	13	18	0	18
36	2	0	0	2	2	0	2
37	15	2	3	14	17	0	17
40	1	0	0	1	1	0	1
41	2	1	0	3	3	0	3
43	2	0	0	2	2	0	2
44	3	0	0	3	3	0	3
47	1	0	0	1	1	0	1
49	0	0	1	7	0	0	0
50	1	0	0	1	1	0	1
52	1	0	0	1	1	0	1
53	0	0	1	5	0	0	0
54	11	0	0	11	11	0	11
55	1	0	0	1	1	0	1
56	2	0	0	2	2	0	2
59	1	0	0	1	1	0	1

3.50

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
4620

SPDFLD	MEN	WOMEN	MIN	OTHER	DN	PU	TOTAL
61	3	0	0	3	3	0	3
62	12	0	0	12	12	0	12
63	1	0	0	1	1	0	1
64	1	0	0	1	1	0	1
66	9	0	0	9	9	0	9
67	2	0	0	2	2	0	2
68	1	0	0	1	1	0	1
	111	28	28	119	139	0	139

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

| LOCATION | | |

HOURLY ST. TIKE EARNINGS BY LOCATION--DEC. 1972

LOCATION
4810

TELL C	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
28	0	0	0	0	0	0	0
29	72	469	7	534	399	146	941
2.5.71							
30	43	177	1	219	182	38	220
31	22	34	0	56	23	33	56
32	13	19	0	32	14	18	32
33	5	12	1	17	5	13	18
34	30	33	0	63	32	31	63
35	3	2	0	5	3	2	5
36	21	20	0	41	22	19	41
37	11	11	0	22	10	12	22
38	15	5	0	20	15	5	20
40	44	6	0	50	44	6	50
42	1	0	0	1	1	0	1
43	1	0	0	1	1	0	1
44	1	2	0	3	1	2	3
45	12	0	0	12	12	0	12
47	7	0	0	7	7	0	7
48	1	0	0	1	1	0	1
49	2	0	0	2	2	0	2
50	7	0	0	7	7	0	7
	311	799	9	1101	777	333	1110

940

HOURLY ST. TIKE EARNINGS BY LOCATION--DEC. 1972

LOCATION
4630

TITFIN	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
29	3	6	1	8	4	5	9
30	15	92	15	92	58	149	107
31	5	145	7	142	99	51	150
3.1.72							
32	35	62	9	88	48	49	97
33	138	66	7	197	152	47	204
34	72	39	6	85	13	48	61
35	18	38	3	53	17	39	56
36	39	48	4	83	48	47	87
37	15	38	1	52	5	88	93
38	10	33	4	39	0	43	43
39	37	30	4	63	30	37	67
40	11	29	1	39	0	40	40
41	20	22	1	41	1	41	42
42	14	20	1	33	2	32	34
43	10	16	0	26	0	26	26
44	12	14	1	25	1	25	26
45	5	15	2	17	0	20	20
46	7	10	2	15	0	17	17
47	12	6	3	15	0	18	18
48	14	7	1	20	0	21	21
49	26	2	0	28	0	28	28

941

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN

LOCATION

4898

YRENTH	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
31	4	0	3	1	0	4	4
34	1	0	0	1	0	1	1
	484	110	209	386	167	427	594

HOURLY ST, TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION

4898

TYLER

	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
31	23	20	19	24	43	0	43
33	211	146	134	221	357	0	357
33	259	43	66	236	302	0	302
34	301	69	134	236	370	0	370
35	132	18	49	101	149	1	150
36	124	7	28	103	131	0	131
37	26	2	3	25	28	0	28
38	34	1	0	35	35	0	35
39	43	0	3	40	43	0	43
40	2	0	0	2	2	0	2
41	13	0	2	11	13	0	13
42	2	0	0	2	2	0	2
44	4	0	0	4	4	0	4
45	44	0	0	44	44	0	44
49	3	0	0	3	3	0	3
99	17	0	0	17	17	0	17
	1738	386	435	1189	1543	1	1544

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
5250

WARREN	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
24	0	1	0	1	0	1	1
31	0	4	1	3	4	0	4
32	0	69	18	87	81	4	85
33	4	209	29	184	210	3	213
34	12	58	7	63	66	4	70
35	13	10	3	22	14	9	23
36	54	82	14	122	68	76	136
37	14	133	17	130	14	133	147
38	6	22	3	25	6	22	28
39	1	8	0	9	1	8	9
40	8	10	2	16	9	9	18
41	8	3	1	10	8	3	11
42	28	3	0	31	28	3	31
43	3	3	0	6	3	3	6
44	23	2	2	22	23	2	25
45	28	1	1	28	28	1	29
46	3	0	0	3	3	0	3
47	13	2	0	15	13	2	15
48	16	1	0	17	16	1	17
49	0	0	0	0	0	0	0
50	37	1	0	38	37	1	38

HOURLY ST. TIME EARNINGS BY LOCATION--DEC, 1972

LOCATION
5250

WARREN	MEN	WOMEN	MIN	OTHER	DW	PW	TOTAL
91	16	0	0	16	16	0	16
	297	638	99	836	658	265	938

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

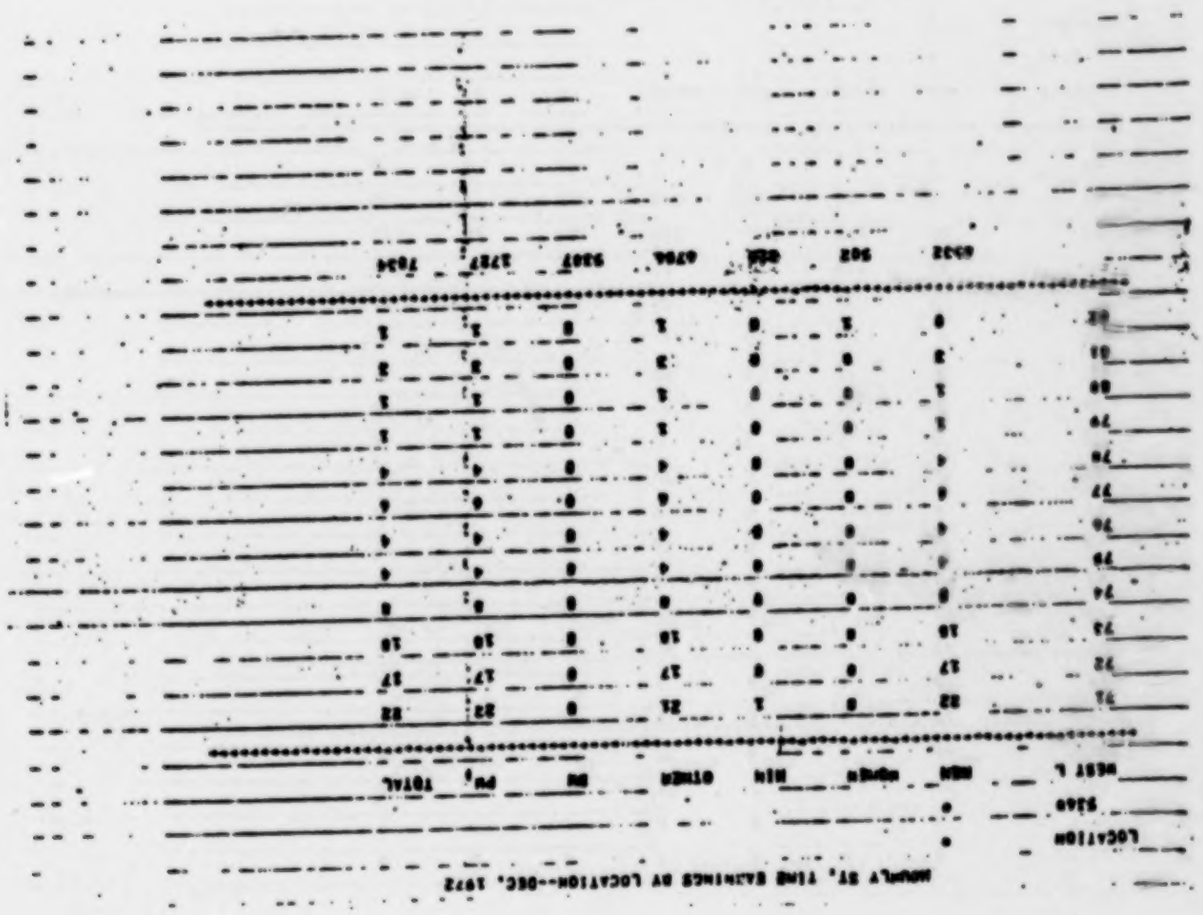
LOCATION
9200

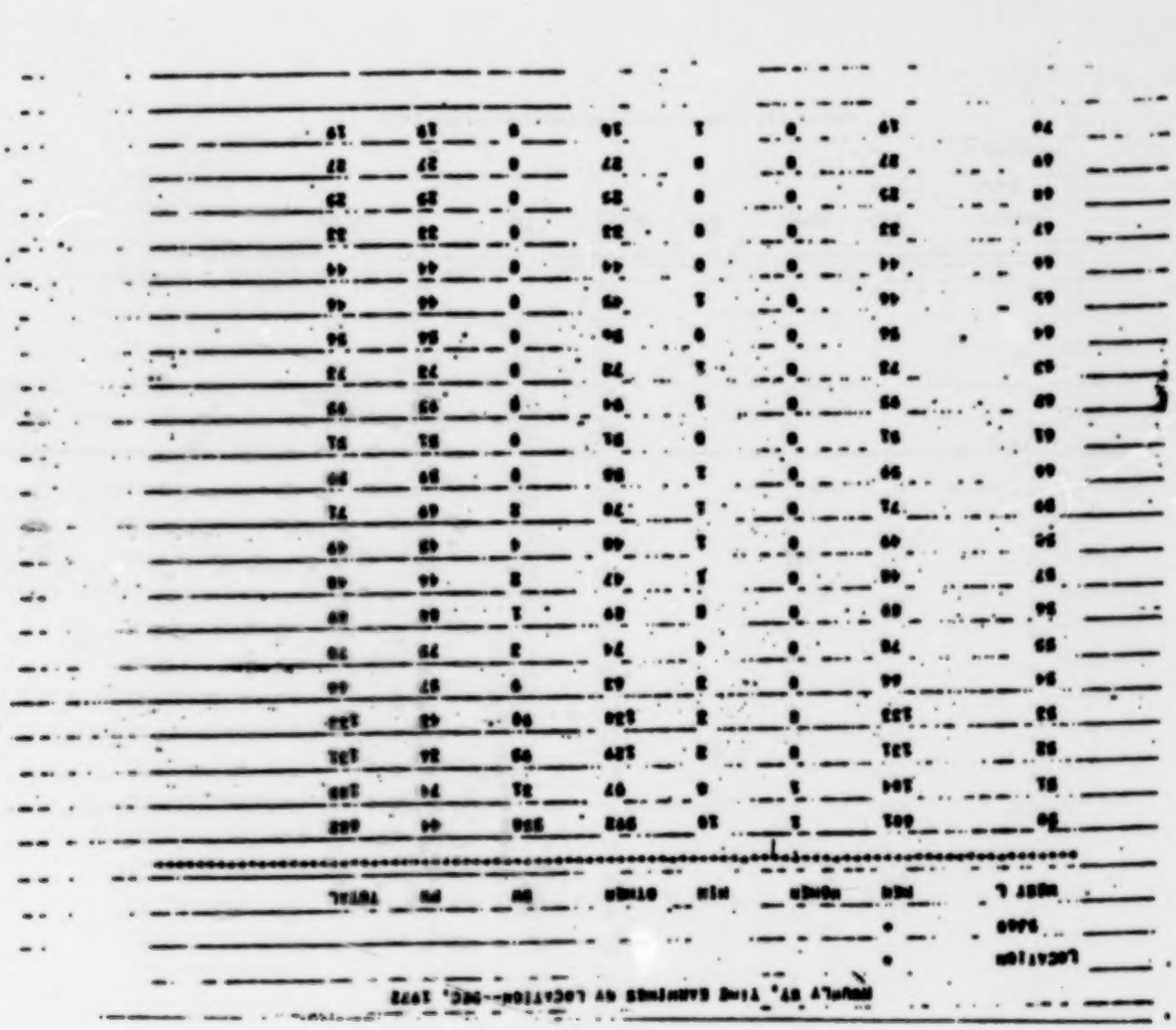
WATERW	MEN	WOMEN	MIX	OTHER	DU	PU	TOTAL
32	7	0	1	6	7	0	7
33	24	0	6	18	24	0	24
34	11	0	1	10	11	0	11
35	84	0	10	74	84	0	84
36	17	0	3	14	17	0	17
37	9	0	0	9	9	0	9
38	40	0	3	37	40	0	40
40	29	0	1	28	29	0	29
41	31	0	0	31	31	0	31
42	109	0	6	103	109	0	109
43	4	0	0	4	4	0	4
44	15	0	0	15	15	0	15
45	42	0	0	42	42	0	42
46	16	0	0	16	16	0	16
47	5	0	0	5	5	0	5
48	39	0	0	39	39	0	39
49	5	0	0	5	5	0	5
	507	0	34	479	507	0	507

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
9460

WEST L	MEN	WOMEN	MIX	OTHER	DU	PU	TOTAL
29	9	26	2	35	0	37	37
30	31	22	3	56	47	6	53
31	49	14	4	63	58	9	67
32	66	133	20	179	162	17	199
33	161	43	20	176	198	14	204
34	87	34	27	94	102	19	121
35	163	76	11	148	150	29	179
36	317	37	43	311	321	33	354
37	192	35	10	169	156	31	187
38	262	19	21	260	285	16	301
39	13	3	0	16	2	14	16
40	429	6	24	408	423	12	435
41	43	6	4	45	31	18	49
42	260	7	14	274	274	13	287
43	89	3	4	87	79	12	91
44	646	5	27	624	593	58	651
45	76	2	1	77	64	14	78
46	508	6	8	506	485	29	514
47	432	14	9	438	378	76	448
48	182	2	7	177	131	53	184
49	592	8	18	582	569	23	592





HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
9569

YOUNGS	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
31	1	0	2	4	6	0	0
32	9	104	68	125	187	6	193
33	12	312	124	375	484	43	527
34	11	103	29	89	94	38	114
35	0	47	10	45	30	33	33
36	46	25	18	47	43	22	65
37	29	2	12	19	30	1	31
38	18	0	2	16	18	0	18
39	2	1	1	2	3	0	3
40	20	0	0	20	20	0	20
41	5	1	0	4	6	0	0
42	24	0	0	19	24	0	24
43	7	0	0	7	7	0	7
44	19	0	0	19	19	0	19
45	13	0	2	11	13	0	13
46	9	0	2	7	9	0	9
47	18	0	1	17	18	0	18
48	34	0	0	34	34	0	34
50	15	0	0	15	15	0	15
51	4	0	0	4	4	0	4
53	2	0	0	2	2	0	2

HOURLY ST. TIME EARNINGS BY LOCATION--DEC. 1972

LOCATION
9599

YOUNGS	MEN	WOMEN	MIN	OTHER	BW	PW	TOTAL
54	3	0	0	3	3	0	3
	305	889	282	906	1025	165	1190

(PLAINTIFFS' EXHIBIT NO. 12)
JOhn Winthrop Hammond, "Men and Volts: The Story of General Electric" (Lippincott Co.s1941)

EXHIBIT NO. M to Pre-Trial Stipulation of Facts

A PERIOD ENDS 383

* * * A pension plan had been set up in 1912; a mutual benefit association to provide benefits in case of sickness, death, or hospitalization had been established in 1913; a profit-sharing system in 1916; a life-insurance plandin 1920; a savings plan in 1922. A suggestion system, whereby employees were paid for suggestions helpful to the operation of the Company, had been established as far back as 1906, and through the intervening years one plan after another had been added to protect employees against the vicissitudes of life, and to provide opportunity and a measure of security.

* * *

EPILOGUE

THE SECOND GENERATION

With the death of Charles A. Coffin the first great era in General Electric history came to a close. During his administration he had launched a new industrial art and established it firmly as an essential part of mankind's way of living. Now, under the leadership of Owen D. Young and Gerard Swope, a new era in the Company's history began.

* * *

In the 18 years of their leadership, the teamwork of these two men produced many marvels, but none of

more lasting significance than their common effort on behalf of labor. For years the Company had been in the forefront of American industry in providing fair compension and good working conditions for employees, but these were to be supplemented by many employee benefits plans. Many of these plans had been inaugurated before Mr. Coffin retired, but under Mr. Young and Mr. Swope they were expanded and welded into a unified program for the employees' welfare. Since 1916 there had been in effect supplementary compensation and profit-sharing plans for the employees, and Mr. Swope and Mr. Young applied themselves to the perfecting of these plans. Together they further developed the pension plan which had operated since 1912, and the mutual-benefit associations which provided sickness, hospitalization, and death benefits. They established life insurance plans; a savings plan; the suggestion system, whereby employees reap the benefits from their suggestions for improving methods and working conditions; vacations with pay; a plan to adjust employee earnings automatically as variations occur in the cost of living; loan funds; a plan to assist employees in acquiring homes; and year by year additional methods were worked out to protect employees against the vicissitudes of life, and provide opportunity and a measure of security. Employee representation was instituted, unemployment insurance was put into operation, and educational and recreational facilities for employees developed.

* * *

As the years passed and large corporations came into being, there came about a separation of management and ownership—now represented by stockholders—but management still considered itself the agent of the owners, working in their interests. It was this conception of man-

agement that prevailed throughout the business world at the time Mr. Young and Mr. Swope succeeded to the Board Chairmanship and Presidency of General Electric.

* * *

(PLAINTIFFS' EXHIBIT NO. 13A)
David Loth, "Swope of GE: Story of Gerard Swope and General Electric in American Business" (Simon & Schuster, New York, 1958).

EXHIBIT NO. N–1 to Pre-Trial Stipulation of Facts

152 The habit of looking to Swope as chief did not stem entirely from his speeches, his organization of camps and new lines of manufacture, his improved distribution methods, his forceful driving personality. A big factor was his active concern for the security of everyone who worked
153 for the General Electric Company. He wanted them all, from the porter to the president to have savings, life and health insurance, a chance to own their homes, protection from unemployment. Blind admirers, judicious appraisers of his role in industry, bitter critics of his policies and methods, men he promoted and men he fired, agree on this: Swope's employee benefits programs were not only a service to the thousands directly affected but a salutary lesson to industry in general. Within the company, these programs cemented a loyalty to him and the organization among many who might not have felt so warmly about "the most machinelike person I ever knew," as he was called by one who deplored almost everything else he ever did.

* * *

Wherever they had got their notions, both were going around in the early 1920s asking people, in preparation

for an improved pension plan, what was the most useful age of man. Whitney remembers that he stubbornly refused to say. He wanted to know what man they were talking about. But his former pupil was not relying upon casual questions. In his first year as president, Swope assigned the general auditor and an eager youngster, who later would be the company's secretary, to survey em-
154 ployee benefits generally and submit recommendations. On the basis of this and other studies, he reached the conclusion that on the average men were at their peak at thirty-two and down to about half their best productivity at sixty-five.

"So let's take half away from the old fellow and give it to the young one," he told Whitney. "If we retire the older men at half pay, we make not only their pay but their places available to the young."

Before these studies were completed, Swope had moved on homes and savings. The first was fairly simple; he put the company's guarantee behind a second mortgage, and 2,760 employees took up the offer in building or buying houses in the next few years.

For a savings program, he reviewed the history of one which Young had tried in 1920 with Coffin's approval–allowing employees to buy stock through pay-roll deductions.

Swope made a few false starts in his proposals for life insurance. A great believer in it himself, he assumed that all men would grasp eagerly at the opportunity to acquire some. Young had helped institute a system of free coverage up to a modest amount for all employees after a certain length of service. Swope thought help in getting larger policies was better than a gift of small ones–"things should be done *with* people, not for them," he explained. So he announced that free insurance would go only to new employees who took out some for themselves. It

was a flat failure.

"I was surprised," he admitted,"to find that new employees said to themselves that they weren't going to die or weren't going to stay with this company all their lives, and so did not take the insurance."

He applied pressure, and at the same time modified the plan. The insurance was offered to employees of forty-five or younger after five years' service, along with a message from the president that the company wanted men who recognized their obligation to their families and society. This hint plus the attraction of limiting the offer did the trick. General Electric had twenty-one thousand employees in this age and service bracket, and every one of them joined the insurance plan. Then it was opened to older men, and 85 per cent of them signed up, too. Swope limited it to men because he doubted that the sixteen thousand women the company then employed would consent to pay-roll deductions for this purpose.

"Frankly," he confessed, "our theory had been that women did not recognize the responsibilities of life, for they probably were hoping to get married soon and leave the company."

He couldn't have been more mistaken. When they got the chance, nearly twelve thousand of them took out the insurance.

He made one more wrong judgment of employee reactions when he tried to win adoption of an unemployment insurance plan which he worked out in the belief that sensible people fortify themselves in good times against the hazards of bad. By 1925 employment and wages were at an all-time high in General Electric plants. He proposed, therefore, that the workers and the company together build up a fund from which men who

might be laid off in any future slump could draw up to half their normal earnings. A factory pay-roll deduction of 1 per cent of wages would be matched by the company, and the fund would be administered by a board drawn equally from representatives of workers and management. The fund might provide emergency loans as well as unemployment benefits. If unemployment in the plants grew beyond the limits of the fund, the 1 per cent contribution and matching company payments would be extended to the clerical and executive personnel, all the way up to the president and chairman.

It was something new in security for the employees of a large corporation, and the men were suspicious of it. In one plant after another they turned it down by very substantial majorities.

"They said business was good and this was just another scheme to deduct something from their wages," Swope wrote regretfully.

Disappointed as he was—ever since Hull House he had known that benefits for the jobless were a sound idea—he turned to other security measures and was consoled for the unexpected failure of his unemployment insurance program by the equally unexpected success of a pension plan. He though the men would need a great deal of education before they consented to a pay-roll deduction for it—he proposed 1½ per cent of earnings. But when he put it up to hem, a large majority voted for it right away, and on the decisive test only one man held out against it while seven thousand who were not eligible asked to be taken in.

The universal practice up to this time was that, if pensions were provided, they were a gift from the company. Their purpose was the very practical one of keeping useful men. General Electric had had such a program since 1912.

EXHIBIT NO. N-2 to Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 13B)
Speech of Gerard Swope, then president of GE, entitled "Management Cooperation with Worker in Economic Welfare," made on December 5 or 6, 1930, reprinted in the Annals of the American Academy, Vol. 154.

Management Cooperation with Workers for Economic Welfare

By GERARD SWOPE, LL.D.
President, The General Electric Company, New York City

SECURITY as I understand it is quite a separate thing in industry, and there are three fundamentals that can never be replaced by anything else. These are satisfactory conditions of work, reasonable hours of labor, and adequate compensation. Unless these are assured, there will not be the peace of mind in the worker that security itself is intended to produce; and although he may be sure of his job, it is well that he should also like to retain his job.

Now, assuming that every worker is going to accept his responsibility in our social structure, the first and most momentous question that we all have to face is the uncertainty of life and the certainty of death.

* * *

GROUP LIFE INSURANCE

In 1919, the General Electric Company offered free group life insurance to its employees, for certain amounts and after a certain term of service. Later on, believing very heartily in the theory that things should not be done *for* people nor *to* people, but *by* and *with* people, we announced an additional insurance plan and said that all

new employees would have free insurance only if they took an equal amount for which they paid.

* * *

A few years later I woke up to the fact that that theory might have been good, but was not true. The people coming into the organization said to themselves, "Well, I am not going to stay with this company, or I am not going to die: why should I pay out of my income every a relatively small sum for insurance when I can use it to better advantage?" As a result, the new employees were not taking the additional insurance and therefore were not securing the free insurance offered by the company. In other words, looking forward a generation, we would have defeated the entire thing that we had in mind, and there would have been no protection for the employees and their families, either granted by the company or provided by themselves.

So we reversed ourselves almost immediately and explained to our employees that we wanted people in our organization who were serious-minded, though young, and who would recognize their responsibilities as members of society. We put the question of additional insurance up to all male employees who were forty-five years of age and less and had been with the company over five years. We used that age because lower than forty-five they are all young, and having given over five years of service they had been with us long enough to know whether they wanted to stay, and we had had them long enough to know whether we wanted to retain them.

The result was amazing. There were twenty-one thousand men in that group according to accurate figures, and one hundred per cent of those twenty-one thousand people

accepted the additional insurance plan. We then said to those over forty-five years of age and with over five years of service, "Do you want to come in?" There were twenty-eight thousand people in that group, and eighty-five per cent of them came in.

Our company is a man-run company, possibly unfortunately, and there was a difference in opinion among us as to whether the women would come in under this plan. We had sixteen thousand women in the organization, and we asked them if they wanted to take additional insurance. Our theory was that women did not recognize the responsibilities of life and were hoping to get married soon and would leave us, and, therefore, this insurance premium deduction from their pay would not appeal to them. But of the sixteen thousand women, seventy-three per cent, or nearly twelve thousand, said, "Yes, we'd like to come in under this plan."

As a result of the acceptance of this plan, all employees after one year of service are eligible to come in under the company and additional life insurance plan.

* * *

In the entire time that these insurance plans have been in effect, six and a half millions of dollars have been paid to the families of the employees of the company. In the year 1930, on the basis of the first ten months, a million dollars will have been paid out in insurance benefits to the families of deceased employees; and this interesting point comes out, that four hundred thousand dollars of this insurance has been paid for by the company and six hundred thousand dollars represents the additional insurance for which the employees have paid, which their families would not have had except for the introduction of that plan.

HOME OWNERSHIP

The second thing, it seems to me, that appeals to responsible citizens, especially those having a family, is to feel secure in home ownership. Some years ago we instituted a plan of helping our employees to buy and build homes. The company does not own these homes. We assist the owners by guaranteeing the second mortgages to the banks.

* * *

SAVINGS AND INVESTMENT

When you have provided for the responsibilities and uncertainties of life and the security in a home, the third provision would seem to be savings and investment.

Ten years ago, like other industries, we offered to our employees common stock of the General Electric at what we thought a very favorable price and on favorable terms of payment.

* * *

PENSION SYSTEMS

In a sense—and possibly theoretically—if each man had recognized his responsibilities and the uncertainty of life, second, if he has his own home where his family is sheltered, and third, if he has made investments from time to time and saved something out of his income—which for many people is difficult—the emergencies that may arise in the future are really provided for, and possibly the following measures are then unnecessary; but as a matter of fact, so far they are necessary.

So a pension system has been put into effect. In the beginning, corporations inaugurated pension systems not with the

idea of giving security and peace of mind to the employee, but to reduce the turnover of employees. It was a time when recognition of adequate earnings had not yet come with as much force and effect as it has today. The General Electric Company, with others, extended to its employees in 1912, under certain conditions, free old-age pensions.

* * *

REACTIONS OF EMPLOYEES

What I want to show is the mental reaction of people in industry in regard to such plans when they are suggested. All employees of the company, men and women, were to come in under this additional pension plan. It was felt that in the case of women there would be no hardship, because this one and a half per cent which was deducted from their earnings would be their money. If they left the company to get married or for any other reason they would take it with them, plus the interest; if they died it would be given to their families or beneficiaries; if they remained with the company until retirement it would be given to them as an additional pension; so they could not lose. So we offered the plan to all our people, men and women alike. The group of people forty-five years and less who had served five years and more numbered twenty-seven thousand, and a hundred per cent accepted.

* * *

Of the older men and women, with over five years of service, ninety-one per cent accepted. Of course we then made the condition that all new employees might join after one year of service, but after five years of service they must join if they wanted to remain with the company. August 1, 1930, two and a half millions of dollars had

been put aside by the employees as their additional pension fund, bearing interest.

As an illustration of what this means, let us assume that a young man comes to the organization at the age of twenty-five and remains to the retiring age of sixty-five (for women it is sixty)—a period of forth years—and say his average wage is forty dollars a week, or two thousand dollars a year. The pension at the time of his retirement will be thirty dollars a week, or seventy-five per cent of his earnings, ten dollars of which will have been accumulated from his own savings, and twenty dollars from the pension fund provided by the company.

* * *

Almost four million dollars have been paid to pensioners in these eighteen years, and the pensions are now running at the rate of a million dollars per year.

To illustrate how wrongly we sometimes conceive the mass psychology of people and especially of women, in certain of our departments our managers said that the women would not take insurance but they would take the pension. As a matter of fact, from a recent study of these figures, it has been found that women seem to recognize their responsibilities to their families even earlier and more seriously than the men. They have taken insurance even before completing a year of service with the company, whereas there is no obligation upon them to do so; while for the additional pension, they come into the plan only at the end of five years.

* * *

UNEMPLOYMENT INSURANCE

Unemployment insurance, of course, is only an amelioration of conditions when unemployment has come; it is not a preventive, and if people have saved money and have been frugal they can take care of themselves. Personally, I think there is also some responsibility on industry and some on society. I think industry must recognize its responsibility, and therefore we have gone forward in an experiement.

Over five years ago I proposed to our employees an unemployment plan, but then we were in the heyday of this new economy and our workmen said, "There's never going to be any unemployment again, and we don't want to have something more to pay for. Gradually you are taking all our money away and putting it into thrift plans and savings, and we don't want to do it."

* * *

So last spring, when unemployment began to affect us more seriously, I brushed the dust off this plan of some five years ago and again proposed it. This time it met with more ready response and we said it would be put into effect only if sixty per cent of the people at any plant wished to go into it. All of the plants accepted it, in varying percentages from seventy-three to one hundred. On December first, the plan had been in effect four months. Benefits were not to be paid until six months had elapsed. Thirty-five thousand men and women have joined, and three hundred and fifty thousand dollars have been paid in, half by the employees and half by the company.

* * *

HOW THE PLAN WORKS

So I have learned that men do recognize their responsibilities to their brothers in service, and endeavor to take care of them. So we said that in an unemployment emergency, all the people in the company, whether they were members of the plan or not, should contribute one percent of their earnings as long as they were working fifty per cent or more of the time. These contributions were to be made by the office boy, the salaried people, the salesmen, and the management, from the president down, and from the people in remote places like Denver and San Francisco.

On December first we declared that unemployment emergency existed, and collections are beginning to be made. In such unemployment emergency the company pays an amount equal to that contributed by the employees.

* * *

EXHIBIT NO. 0-1 to the Pre-Trial Stipulation of Facts. (PLAINTIFFS' EXHIBIT NO. 44A) 37th Annual Report of GE 1928.

1928 *General Electric Annual Report*

* * *

GROUP LIFE AND DISABILITY INSURANCE

For nearly nine years your Company has provided group life and disability insurance protecting a large majority of the employees.

The 1926 annual report described an Additional Group Life and Disability Insurance Plan which was offered to employees in the latter part of 1925. In December 1927 announcement was made to employees that on January 1, 1929, this plan would become a mutual condition of employment for some and optional for others. It met with such general acceptance that after conferring with the representatives of the employees, the effective date was advanced to July 1, 1928.

Acceptance of the plan was made a mutual condition of employment for all men employees who had completed five years of continuous service and who on July 1, 1928, were forty-five years of age or less and for all men employees thereafter completing five years of continuous service. Every one of this group of 21,000 accepted the plan. For men employees over forty-five years of age on July 1, 1928, and with more than five years of service, the plan is optional. It is also optional for men employees who have served more than one year and less than five years, until the expiration of the fifth year, when it becomes a mutual condition of employment. There were

approximately 28,000 men in these two groups and 85 percent accepted the plan. It is optional for all women employees after one year of service. There were approximately 16,000 women eligible, of whom 73 percent accepted the plan.

Since the "additional" insurance plan was put into effect in November 1925, $2,608,867 has been paid to 1186 employees (or their beneficiaries), of which $1,217,367 was under the free insurance policy of the Company, and $1,391,500 was the additional insurance paid for by the employees.

* * *

EXHIBIT NO. 0-1 to the Pre-Trial Stipulation of Facts (PLAINTIFFS' EXHIBIT NO. 44B) 39th Annual Report of GE 1930.

VARIOUS EMPLOYEE PLANS

For many years the General Electric Company has been making constant endeavors, each one a step in a comprehensive program, toward removing fear of the future from the minds of its employees—that is, the constant fear of being unable to provide for those dependent upon them.

Group Life and Disability Insurance

The first plan aims to give peace and security of mind by provision for the uncertainty of life. In 1920, free group life and disability insurance was provided by the Company, to which, in 1925, was added a participation by the employees, so that the life and disability insurance of

employees has been increased. All employees may participate after one year of service. The maximum insurance provided free by the Company is $1500 and the additional insurance, paid for by the employees, varies with age and salary, but the average is larger than the free insurance. At the close of 1930, approximately 67,000 employees were insured for $75,000,000 under the free policy and for $102,000,000 under the additional plan, or a total of $177,000,000.

* * *

Home Owndership

The second matter of importance in assuring peace of mind, not only to the employees, but even more frequently to their wives, is the ownership of the home. While the General Electric Company is not a landlord, it does assist employees in acquiring or building homes by making provisions so that they can borrow the necessary capital on favorable terms. During 1930, 321 homes, having a value of $2,242,000, were financed. In the last 7 years, 2562 homes, representing a value of about $19,000,000, have been acquired or built by employees. Payments of upwards of $7,000,000 have been made on these homes, the balance being held in the form of first and second mortgages by regular financial institutions.

Savings Plan for Employees

The third plan is one to enable employees to put something aside for the inevitable "rainy day." The General Electric Company, like many others, started with a plan which allowed employees to subscribe to its common stock.

* * *

Pensions

The fourth plan to give security and peace of mind is provision for old age. If each employee made provision, under some plan, for a home and adequate savings, other provision for old age, theoretically, would not be necessary. Experience, however, has proven that it is.

In 1912 the General Electric Company adopted a plan which provides for a pension for every employee, and this has since been supplemented by an "Additional Pension Plan," whereby the employees contribute a minimum of 1 1/2 percent of their earnings (the rate depending upon age at entrance). This will eventually have the effect of increasing the average pension on retirement by approximately 50 percent, so that in many cases employees may retire on pensions of three-quarters or more of the income received while in active service, about one-third being provided by the Additional Pension Plan, which they have paid for, and the remainder by the pension provision of the Company.

* * *

Employees Unemployment Pension Plan

The fifth step, and probably the most important from the standpoint of the worker, is protection against the recurrent fear of unemployment.

* * *

The foregoing program briefly describes definite, specific things that your Company has done to provide peace and security of mind to the employees, to stabilize employment, and to ameliorate the tragic effects of unemployment on

those employees who are in no way responsible for their lack of work.

EXHIBIT NO. 0-3 to the Pre-Trial Stipulation of Facts (PLAINTIFFS' EXHIBIT NO. 44C) 52nd Annual Report of GE 1943.

GENERAL ELECTRIC

EMPLOYEE BENEFIT PLAN STATISTICS

General Profit Sharing Plan (Authorized by stockholders in 1934)

Earnings under Plan for 1943	$ 2,707,995
Undistributed earnings under Plan for previous year	111,821
Available for distribution to eligible employees in April, 1944	$ 2,819,816

Extra Compensation Plan (Authorized by stockholders in 1934)

Amount available under Plan for 1943 of which such portion as the Directors may determine will be distributed to eligible employees in April, 1944. The amount available for 1942 was $2,497,000, of which $2,241,000 was distributed.	$ 2,450,000

Suggestion Plan (Established in 1922)

Awards for employees' suggestions—year 1943	$ 277,220
—21 years ended Dec. 31, 1943	$ 1,472,402

Life Insurance Plan* (Established in 1920)

Insurance paid for by the Company	$103,251,705
Additional insurance, paid for by employees	219,851,100
Total life insurance in force Dec. 31, 1943	$323,102,805
Number of employees insured	122,619
Benefits paid—year 1943	$ 1,619,890
—24 years ended Dec. 31, 1943	$ 22,652,617
Number of beneficiaries	10,041

Savings Plans

G.E. Employees Securities Corporation* (Organized in 1923)

Debenture bonds issued—21 years ended Dec. 31, 1943 (a)	$107,433,510
Debenture bonds redeemed in this period	72,946,560
Debenture bonds held by individuals Dec. 31, 1943 (b)	34,486,950
Notes held by Additional Pension Trust Dec. 31, 1943 (c)	22,005,045
Total obligations Dec. 31, 1943, representing employees' savings	$ 56,491,995
Total interest and additional payments made on the Corporation's obligations—21 years ended Dec. 31, 1943	$ 47,847,575
(a) No offering since establishment of War Savings Plan in 1941.	
(b) Number of bondholders	25,878
(c) Number of employees saving through the Additional Pension Plan (see opposite page)	42,263

War Savings Plan (Established in 1941)

U.S. War Bonds paid for by employees May 1, 1941 to Dec. 31, 1943 (maturity value)	$105,634,125
As of Dec. 31, 1943, 90.8% of all employees had authorized payroll deductions (equivalent to 10.7% of total payroll) for the purchase, on an annual rate, of U.S. War Bonds with a maturity value of	$ 65,015,600

* Statistics apply to General Electric and its affiliated companies.

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GENERAL ELECTRIC

EMPLOYEE BENEFIT PLAN STATISTICS

Pension Plans*

Company Pension Plan (Established in 1912)

Assets of G.E. Pension Trust Jan. 31, 1944 (a) (Funds contributed by the Company)	$	73,706,279
Pension and life retirement payments—year 1943	$	2,516,333
—32 years ended Dec. 31, 1943	$	36,242,789
Number on pension and life retirement rolls Dec. 31, 1943		3,543
Average age		70.8 years
Average continuous service		29.7 years
Average annual payment (of which $81 was paid by the Government)	$	786

(a) A payment of $12,000,000, for the year 1943, was made by the General Electric Company in January, 1944.

Additional Pension Plan (Established in 1928)

Assets of G.E. Additional Pension Trust Dec. 31, 1943 (Funds contributed by employees)	$	23,180,123
Number of participating employees		42,263
Amount returned to individuals—16 years ended Dec. 31, 1943	$	5,701,866

Contributory Pension Plan (Established in 1936)

Assets of G.E. Contributory Pension Trust Dec. 31, 1943 (Funds contributed ½ by Company and ½ by employees)	$	313,876
Number of participating employees		1,480

Vacation Plan (Established in 1892)

Vacation and military duty allowances for year 1943	$	10,634,000

Relief and Loan Plans (Established in 1936)

Assets of Relief and Loan Associations Dec. 31, 1943 (Funds contributed ½ by Company and ½ by employees)	$	2,646,000
Eight years ended Dec. 31, 1943—loans granted	$	3,641,000
—loans repaid	$	3,467,000
—relief payments	$	143,000
Loans outstanding December 31, 1943	$	174,000

Other Voluntary Employee Benefits include educational courses, educational loans and scholarships, and loans for purchase or construction of homes.

Through Mutual Benefit Associations (established in 1902) and through a Group Sickness, Hospitalisation and Accident Benefit Plan (established in 1939) employees and their families may receive disability, hospitalisation and death benefits for sickness and accident cases not covered by Workmen's Compensation laws. The cost of operating these Plans is borne by the employees, except that the Company pays the cost of administration.

* Statistics apply to General Electric and its affiliated companies.

General Electric has pioneered in the field of social benefits for employees, as indicated by the following statistics which apply to Plans currently in effect for the Parent Company and all participating affiliates.

• • •

Relief and Loan Plans (Established in 1936)

Assets of Relief and Loan Associations December 31, 1949 (Funds provided equally by the Company and by employees)	$	3,012,000
Loans granted—14 years ended December 31, 1949 (97 per cent repaid)	$	6,488,000
Relief payments 14 years ended December 31, 1949	$	282,000

Company Pension Plan (Established in 1912. Provides old age pensions, disability pensions and payments upon death under certain conditions. Employees have a vested right to pensions upon compliance with certain conditions as to age and service. Pensions are divided into two parts (1) past service annuities—paid for entirely by the Company—for all employees who had one or more years of continuous service on September 1, 1946, and (2) future service annuities—paid for jointly by the Company and employees—applicable to service after September 1, 1946 for all employees who elect to participate.)

Assets of the General Electric Pension Trust December 31, 1949 (a)	$	223,018,000
Pensions paid—year 1949	$	7,659,000
Pensions paid—38 years ended December 31, 1949	$	66,543,000
Number on pension rolls December 31, 1949		11,462
Average age of pensioners December 31, 1949		68.4 years
Average continuous service of pensioners to date of retirement		25.3 years
Average annual rate of pension at December 31, 1949 (excluding Social Security benefits) for employees who retired after 25 or more years' continuous service	$	958

(a) These assets consisted principally of U.S. Government and other high grade securities. The total amount payable to the Trust for the year 1949 was $49,281,000 ($37,400,000 by the Company and $11,881,000 by employees) of which $24,097,000 was paid prior to December 31, 1949 and the balance prior to February 28, 1950.

Note: Under an Additional Pension Plan, established in 1928 to promote savings by employees for supplemental pension purposes and terminated as of September 1, 1946 except as to amounts accumulated on that date, 20,934 employees had $18,983,000 on deposit with the Trustees as of December 31, 1949.

Pensioners Hospitalization Plan (Established in 1948. Provides free hospitalization benefits, within specified limitations, for eligible pensioners of the Company.)

Assets of G.E. Pensioners Hospitalization Trust December 31, 1949	$	5,899,000

These assets consisted principally of U.S. Government securities, and the funds were made available upon dissolution of G.E. Employees Securities Corporation by actions of its Board and the Board of the Parent Company.

General Electric Educational Fund (Established in 1945, in honor of Charles A. Coffin and Gerard Swope, the Fund consists of the Charles A. Coffin Foundation, created in 1922, the Gerard Swope Foundation, and the G.E. Employees Education Foundation. Income of the Fund provides educational loans, fellowships, and scholarships for employees and others.)

Assets of the General Electric Educational Fund December 31, 1949	$	1,022,000
Amount of grants—27 years ended December 31, 1949	$	268,000
Number of grants (to 425 individuals)		624

Other Employee Benefits include vacation and military duty allowances, payments for observed holidays, educational courses, and, in special circumstances, loans for purchase of homes. Through Mutual Benefit Associations (established in 1902) and through Group Disability Insurance Plans (established in 1939) employees and their families may receive disability, hospitalization, surgical and death benefits for sickness and accident cases not covered by Workmen's Compensation Laws; in general, the cost of benefits paid under these plans is borne by employees, and the cost of their administration is borne by the Company.

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EXHIBIT NO. 0-5 to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 44E) GE Annual Report 1956.

1956 Progress for Employees

Continuing progress in employee compensation

General Electric's emphasis on the worthwhile personal satisfactions of its employees carries into the Company's attitude toward the compensation of employees in exchange for their interest, initiative, skill, care, effort and teamwork. Compensation at General Electric is interpreted broadly to include not only monetary returns but also the value of benefit programs. In 1939 the average General Electric employee earned $2,026 a year including the value of benefits. In 1956 a General Electric position was, on the average, worth well over 2 1/2 times as much, and included a broad package of pension, insurance, vacation, holiday and other benefits providing better economic security and personal satisfaction.

* * *

Employees benefited from the first full year of the more than 30 improvements included in the Company's Better Living Program. Among these benefits was the aid that many employees received in meeting medical costs ranging from the more normal types of expense up through the "catastrophic." The Company's insurance plan covers over half a million people, including employees and dependents. Medical benefits paid during 1956 totaled $28 million.

EXHIBIT NO. 0-6 to the Pre-Trial Stipulation of Facts
PLAINTIFFS' EXHIBIT NO. 44F
GE Annual Report 1957.

FINANCIAL HIGHLIGHTS OF 1957

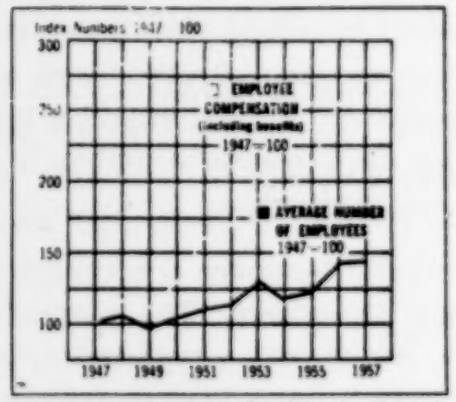
* * *

TO ATTRACT, DEVELOP AND RETAIN HIGH-CALIBER EMPLOYEES

General Electric has built one of the world's finest creative and productive teams. As the following pages indicate, the Company has achieved this by attracting high-caliber people throughout the organization and by trying to provide for them a working climate that encourages each individual to develop his abilities to the fullest. Thus the Company continued in 1957 to try to make itself a strong center of trained manpower working for America's security and progress.

In its approach to manpower development the Company has sought to establish plans based on principles that apply to all employees.

* * * * *



EMPLOYMENT AT GENERAL ELECTRIC reflects Company's willingness to invest in new growth businesses. Average cost of supplying facilities for a new production job rose to an estimated $16,000 in 1957. Total employee compensation (including benefits) was a record $1,715 million.

INCENTIVES INCLUDE EMPLOYEE BENEFIT PLANS

In providing incentives to encourage employees throughout the organization to contribute their best, General Electric recognizes the importance of non-material motivations as well as the financial and material. The elements that create in individual employees a sense of full and responsible participation in the enterprise include the opportunities for self-development described above. They also include the factors of good leadership and supervision, good working conditions, on-the-job relationships in which respect for individual dignity is the rule, and awareness that management is trying to promote steady employment despite unpredictable changes in the economy or in customer demands.

General Electric's employee benefit plans are particularly effective in helping to attract top-quality people at all levels and encouraging them to make their careers with the Company. The plans in effect during 1957 included:

Pension Plan provisions for employees reaching retirement age, or those who have become permanently disabled after 15 or more years of credited service, have been increased many times in the 45 years since the Company adopted its first pension plan. A total of 19,444 pensioners were receiving payments at the end of 1957. As indicated in the financial statements at left, payments to pension plans for 1957 by the Company and all subsidiaries were $59.9 million. Free hospital and surgical insurance up to a maximum of $1,500 during the pensioner's lifetime is provided eligible pensioners and their wives.

Comprehensive health insurance is provided for both employees and their dependents. This pioneering medical expense insurance, whose costs are shared by the Company and the employees, covers a large proportion of the expenses of sicknesses or accidents, including the usual as well as

those of a "catastrophic" nature. The plan covers over three quarters of a million people, including employees and their dependents. This type of health insurance, instituted by General Electric, has been adopted by hundreds of other companies.

Insurance Plan provisions also include life insurance equal to double the employee's annual normal straighttime pay, paybale upon death for any cause, or a payment equal to three times annual pay in cases of accidental death. Disability benefits of $32.50 to $85 per week are provided. Total cost of the Company's insurance plans for 1957 was an estimated $55 million, of which $25 million was paid by the Company and $30 million by contributions from employees.

* * * * *

Other plans include paid vacations, an Emergency Aid Plan, payments for certain specified holidays, tuition refunds for courses in the employee's field of work, payments for absences due to death in the family, and military duty allowances. Also for 1957 the Company paid out $40 million for social security taxes such as old-age and survivors' insurance and unemployment insurance.

PROVIDING SOUND FINANCIAL INCENTIVES

General Electric has endeavored to provide sound compensation as a fair exchange for employees' effort, skill, initiative and results. The total of employee earnings and benefits reached a new high of $1,715 million in 1957.

* * * * *

EXHIBIT NO. P to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 14)
Speech of Gerard Swope, then President of GE, on December 16, 1930, printed in U.S. Dept. of Commerce, "Unemployment: Industry seeks a Solution" (GPO 1931).

FOREWORD

With the purpose of placing the experience and judgment of outstanding industrial executives before those concerned with the problems of unemployment, the President's Emergency Committee for Employment arranged the series of radio addresses here compiled. The addresses were given as nation-wide broadcasts during December and January. The speakers participating in the series were invited to explain the program and experience of their organizations in stabilizing employment and alleviating the evils of unemployment, and in the abridgment of the radio addresses for publication, emphasis has been placed upon the various features of company policy as explained by the speaker.

The committee is grateful for the assistance afforded both by the speakers and by the Columbia Broadcasting Co. and the National Broadcasting Co. in the arrangements for the series.

Arthur Woods, *Chairman,*
President's Emergency Committee for Employment.

February 10, 1931.

UNEMPLOYMENT

INDUSTRY SEEKS A SOLUTION

I. SAFEGUARDS FOR EMPLOYEE SECURITY

By Mr. Gerard Swope, *president of the General Electric Co. (Dec. 16, 1930)*

Compiler's note.–The General Electric Co. during the past 12 years has been developing a balanced program for employee security. This program includes provisions for life insurance, home ownership, savings investment, old-age pensions, and finally unemployment benefits, loans, and relief. The last feature is closely coupled with a determined effort to stabilize employment.

For many years the General Electric Co. has been making constant endeavors, each one a step in a comprehensive program, for removing fear of the future from the mind of the worker in the shops; that is, his constant fear of not being able to provide for and take care of his responsibilities, first to his parents or, if he has taken on further responsibilities, to his wife and children.

The first item to give peace and security of mind is provision for the uncertainty of life. In 1919 free group life insurance was offered by the company, to which later was added a participaton by the employees, so that the life insurance of each employee has been increased.

* * * * *

The second matter of importance in assuring peace of mind, not only of the employee but even more frequently of the wife, is the ownership of the home. While the General Electric Co. has never been in the position of landlord, it does assist the employees in acquiring or building homes.

* * * * *

The third is a plan to enable the worker to put something aside for the inevitable "rainy day." The General Electric Co., like many companies, started with the plan of having the employees subscribe to its common stock.

* * * * *

The fouth item to give security and peace of mind is provision for old age. Of course, if each employee made provision along the line of the above, for death, a home and savings, old-age provision, theoretically, might not be necessary, but experience has proved that it is. The General Electric Co. in 1912 adopted a pension plan which gave a pension to every employee, and this has since been supplemented by what we call an additional pension plan, whereby the employee contributes 1½ percent of his earnings.

* * * * *

The fifth and probably the most important, from the standpoint of the worker, is the recurrent dread and fear of unemployment.

* * *

But no one company is able to grapple effectively with this problem of cyclical variations in business, so the best that can be done is to have a plan which will ameliorate the hardships when they do arise. Five years ago a plan of unemployment pensions, loans, and relief was offered, but at that time the employees considered unemployment remote and it was not accepted. This year it was again proposed and received immediate acceptance.

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EXHIBIT NO. Q to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 45)

Testimony of Gerard Swope before Select Committee on Unemployment Insurance, U.S. Senate, 72nd Cong., 1st Sess., pp. 23-39 (10-19-31).

STATEMENT OF GERARD SWOPE, PRESIDENT GENERAL ELECTRIC CO., NEW YORK, N.Y.

The Chairman. Mr. Swope, your full name is Gerard Swope?
Mr. Swope. Yes, sir.
The Chairman. You are president of the General Electric Co.?
Mr. Swope. Yes, sir.

* * *

We think, of course, that security and peace of mind on the part of the workman is really a very large contributing factor to his doing good work. We think that a man whose mind is distracted, who is worrying about whether he will have work to-morrow, is not going to do as effective work as one whose mind is free from such worries; and we have been discussing this plan for some time, because this is a very much more radical plan, and we have now announced to our people, and they are now voting upon it, that, effective November 1, for the next six months we will guarantee employment in our shops – this means to the piece workers and the hourly workers, and there are about 40,000 of them in the apparatus shops – that there will be no further lay-offs in that 6-months' period for lack of work. They are practically guaranteed at least half work, but not in excess of $15.

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Senator Glenn. Without going into great detail, where did you get the idea of this plan which you have related to the committee?

Mr. Swope. Oh, I do not know. I have studied the plans in Germany and in England – years ago, I mean. I have been interested in those things; and it has just come to the course of my work, in dealing with our employees and dealing with our problems.

You see, the General Electric Co., just like many industries, years ago started – to give you an instance – a pension plan. The reason companies, quite frankly, started pension plans was to reduce turnover, so that people should be tempted to stay with them, and that would reduce costs. They did it as a free and voluntary thing. They asked for no cobtributions from the employees.

Of course, the employees accepted that, because it meant nothing so far as they were concerned except recipients getting it at the end of that time. The same thing was true with other plans that industries had in effect, like life insurance. That went into effect a number of years ago in a number of industries. That was usually free life insurance, and it was very interesting.

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Mr. Chairman. You mean that you would not have any legislation?

Mr. Swope. I would not have any legislation as to uniform unemployment insurance, but I would do it through

the trade associations, so that the American Iron and Steel Institute, the Petroleum Institute, the National Electrical Manufacturers' Association, and so forth, will adopt standards for their industries.

The Chairman. That is in line with the statement you have already made on stabllization of industry?

Mr. Swope. Yes, sir.

The Chairman. And does not contemplate any legislative action?

Mr. Swope. Not of that kind.

The Chairman. Except to authorize that it be done?

Mr. Swope. Yes, sir.

* * *

Mr. Swope. Well, Senator, as I understood Senator Hebert's question, it was, "Could you by act of legislature say that all industry throughout the United States shall pay X percent of its earnings into a fund, and the company should match it, and that should be the unemployment fund, and that should be compulsory by law?" I should say "No" to that. But if, on the other hand, you say that you can frame such legislation as to empower companies to join trade associations – of course, this comes back to my plan of stabilization of industry – and then the purposes of such trade associations shall be to stabilize employment, one of the fundamentals, and to provide an unemployment fund, which shall be independent of any one company, which shall be trusteed, so that it does not depend upon the success or failure of any company, that I should think would be possible.

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EXHIBIT NO. R to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 15)
J. George Frederick, "The Swope Plan," The Business Bourse, N.Y. 1931.

THE SWOPE PLAN

DETAILS, CRITICISMS, ANALYSIS

Plan by
GERARD SWOPE,
President, General Electric Co.

Book Edited by
J. GEORGE FREDERICK

Economist and Publicist, Author, "Modern Industrial Consolidation," "Common Stocks and the Average Man," "Humanism as a Way of Life," Editor Symposium "A Philosophy of Production."

♦

1931

The Business Bourse, New York

II

THE SWOPE PLAN – DETAILS
(By Gerard Swope)

In the situation that confronts us at the present, the most disturbing aspect is that men who are able to work, who are competent workers, who above all things desire to work, cannot find work to do. That this condition has ever been present in such periods detracts nothing from its wrongness. That industry must evolve and make effective those measures which will first ameliorate and ultimately eliminate it, must be the reaction of everyone who gives

thought to what is taking place. I say that industry must do this thing, because it will surely be done.

* * *

The psychology of fear must be removed, and this cannot be done unless they have reasonable expectation of protection for their families in case of the breadwinner's death, protection for their old age, and protection against unemployment. By "protection" I do not mean a protection for their old age, and protection against unemployment. By "protection" I do not mean a protection that is given to them, but I mean protection that they themselves help to provide.

Shall we wait for society to act through its legislatures, or shall industry recognize its obligation to its employees and to the public and undertake the task? Coordination of production is impossible under our present laws, and it is vain to think of their amendment or repeal unless the public is assured of the constructive nature of the steps industry will take, and that the interests of the public will be adequately safeguarded.

The general principles underlying what I am going to say are as follows:

1. Every effort should be made to stabilize industry and thereby stabilize employment to give to the worker regularity and continuity of employment, and when this is impracticable, Unemployment Insurance should be provided.

2. Organized industry should take the lead, recognizing its responsibility to its employees, to the public, and to its stockholders – rather than that democratic society should act through its government. If the various States act, industry will be confronted with different solutions, lacking

uniformity and imposing varying burdens, making competition on a national scale difficult. If either the individual States or the Federal Government act, the power of taxation has no economic restraints.

* * *

4. Production and consumption should be coordinated on a broader and more intelligent basis thus tending to regularize employment and thereby removing fear from the minds of the workers as to continuity of employment; as to their surviving dependents in case of death; and as to old age. This should be done preferably by the joint participation and joint administration of management and employees. These things cannot be done by an individual unit – organized industry must do them.

* * *

8. For the protection of employees, the following plans shall be adopted by all of these companies:

* * *

(B) *LIFE AND DISABILITY INSURANCE.* All employees of companies included in this plan may, after two years of service with such companies, and shall, before the expiration of five years of service, be covered by life and disability insurance.

* * *

(C) *PENSIONS.* All employees of companies included in this plan shall be covered by old age pension plans which will be adopted by the trade associations and approved by the federal supervisory body. The principal provisions will be as follows:

* * *

(D) *UNEMPLOYMENT INSURANCE.* All employees on piece work, hourly work daily, weekly, or monthly work, with normal pay of $5,000 per year or less (approximately $96.15 per week) shall be covered by unemployment insurance.

* * * * *

CONCLUSION. The foregoing plan tends to put all domestic corporations of the class described on a parity for domestic business, thereby removing the inequalities of the different laws in the several states, provides for standard forms of financial reports and their periodical issuance for the information of stockholders, places on organized industry the obligation of coordinating production and comsumption, and of a higher degree of stabilization. This will tend to assure more uniform and continuous employment for the worker and to remove fear from his mind, allowing him to devote himself whole-heartedly to his task. Cost of the product will include these items and will therefore be paid for by the users of the article or service and not in general by members of the community reached by the vicarious method of the imposition of a tax. Then organized industry will be in the position that it should rightly assume of serving the public, with public confidence and with the join participation of workmen and management in the solution of these vital and far-reaching problems.

* * *

Owen D. Young's View of It:

"To the insistent calls for industrial leadership in these disorganized times, there has been a discouraging silence. To the demands for an industrial plan which would guard us in the future from repeating our present disaster there has been little definite response. True, some have spoken

publicly in general terms of what should be done. For the most part either these generalities have been so self-evidently true as not to need stating at all; or, they have been so indefinite as not to be practically useful. Some have put forth academic theses which, in varying degrees, stimulate our thinking but are as far removed from practical application as researches in pure science. Some have had the courage to write definite plans on paper, but for one reason or another they have not received the support of operating concerns nor have they been submitted to the critical review of the public.

"Gerard Swope, after previous conference with his associates in the electrical manufacturing industry, submits a plan for the organization of that industry which is definite in terms and which, if I am correctly informed, has received from many in the electrical industry a testimonial of practicability.

"The plan is not free from criticism. Mr. Swope would be the first to admit that.

* * *

"Anyhow, the question is whether the people who are calling for economic planning really mean what they say. Are they willing to surrender their individual freedom to the extent necessary to execute a plan? It is fruitless to demand unified action by a large number of industrial units and by the individuals connected with them and expect to retain for each unit and each individual the same freedom and the same kind of initiative which existed before the plan was made. Too many people who speak of the matter seem to think that we can have an effective plan without paying anything for it. They are all for the advantages of the plan, but they refuse to pay the price.

* * *

"Then, too, the question is to whom this individual freedom is to be surrendered? If the government is to undertake the great obligations which Mr. Swope's plan visualizes, then the price must be in the form of a surrender to political government. If industry itself is to perform those obligations, as is here contemplated, then the surrender of the individual units is to be made to the organized group, of which the unit is a part. If results are to be obtained, they call for surrender somewhere. The question for the public is to say whether they wish the results, and if so, by what agency they are to be accomplished.

"Therefore, I welcome the plan, not as a final answer to the problems with which it deals, but as a definite proposal which will enable us to consider those problems intelligently. Other industries may develop similar plans, and if they do, then for the first time we should have organized units of the several branches of industry out of which we could build a National Industrial Council.

"There are three courses open to us:

"First – To do nothing. In that case, we should abandon the cry for economic planning. We should accept the advantages and disadvantages of the present system – and it has both. It is a system of intensified individualism which, because of its disordered action, necessarily brings great peaks of prosperity and valleys of depression.

"Second – To place upon industry itself the responsibility for the formulation and execution of a definite plan. This would pass the cost of protective insurances for employees to the public in the cost of the product in so far as it was not absorbed by better management. It would inevitably place on industry a high penalty for unbalanced economic conditions. Not only would capital in idleness have to be carried, but labor as well.

"Third – To acquiesce in the government providing the means for employee protection through the power of taxation. This carries only a political and not an economic check on such expenditures.

* * *

EXHIBIT NO. S to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 47)
"Lecture entitled New Frontiers for Professional Managers by Ralph C. Cordiner, President of GE, printed by McGraw-Hill Co., 1956.

McKINSEY FOUNDATION LECTURE SERIES

Sponsored by the
Graduate School of Business, Columbia University

NEW FRONTIERS FOR PROFESSIONAL MANAGERS

RALPH J. CORDINER
President, General Electric Company

McGraw-Hill Book Company, Inc.
New York Toronto Lodon 1956

* * *

From reading the headlines these days, one might assume that the so-called fringe benefits are a recent innovation in the business world. On the contrary, this Company and others pioneered many years ago in programs to provide for employment security. The General Electric Pension Plan was introduced in 1912 and has already paid out $150,000,000. Our insurance plans started in 1920 and many other benefit programs had their beginnings in that

era. The Company is still pioneering. Last year there were 32 significant improvements in pay and benefits, including a medical insurance plan which is far ahead of any other medical insurance plan in industry, providing employees up to $15,000 insurance against the cost of catastrophic illnesses.

Over and above these obvious pay and security values, we are engaged in deep research into the really important values of human work: the spiritual satisfactions that come from a challenging position that brings a man or woman a sense of achievement, of belonging, of worthwhile personal expression.

* * *

ECONOMIC INCENTIVES

As a concrete example of this, General Electric began, five years ago, a thorough study into the matter of financial and economic incentives. The purpose of this continuing study is not only to develop integrated compensation practices that recognize the distinctive contributions of individuals in every component of the organization; the study includes more important basic research into the nature and effect of the economic motivations, their relationships to other motivations that may be more deeply significant, and ways to express these relationships in the practices of the Company so that they provide optimum incentives and rewards for all employees.

At the present time, General Electric utilizes four principal types of financial incentive:

First, there are wages and salaries, in which the Company tries to establish fair compensation levels for satisfactory performance, position by position and community-by-community. This is done both for positions subject to collective

bargaining and for others. For the salaried employees who are exempt from overtime provisions of the Fair Labor Standards Act, the Company has developed an integrated structure of 28 position levels which are applied throughout the organization. Each of these position levels has a certain salary range, and each "exempt" salaried position in the Company, from the beginner to the President, is identified with one of these levels. Thus the Company has a rational and balanced salary structure, but the responsibility and authority to determine at which level a position should be located, and how much salary an individual receives in the range of that position level, has been decentralized. It is interesting to note as an evidence of decentralization that the typical General Electric department manager now has as much authority over salaries as the President formerly had.

The second form of financial incentive is what are known as "employee benefit programs," such as pensions, medical and life insurance, and the like. In this field, as I have indicated in earlier lectures, General Electric has long pioneered. It should be noted that the Company has only one system of employee benefit programs, and it applies across the Company from the man in the factory to the Officers of the Company.

EXHIBIT NO. T to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 16)
Decision of the War Labor Board in *General Electric Company*, 28 War Labor Rep. 666 (1945).

WAR LABOR REPORTS

Title Registered U. S. Patent Office

WAGE & SALARY STABILIZATION

Reports of Decisions and Orders
National War Labor Board,
Subsidiary Agencies and
Courts
with
Headnotes and Index-Digest

Wage and Salary Stabilization Regulations
Office of Economic Stabilization
Office of Stabilization Administrator
and
Bureau of Internal Revenue

VOLUME 28

Cited: 28 War Lab. Rep.

Published 1946 by
THE BUREAU OF NATIONAL AFFAIRS
Washington, D. C.

GENERAL ELECTRIC CO. AND WESTINGHOUSE ELECTRIC CORP.–

Decision of National Board

In re General Electric Company [Schenectady, N.Y.] and Westinghouse Electric Corporation [Pittsburgh, Pa.] *and* United Electrical, Radio and Machine Workers of America (CIO). Cases No. 111-17208-D and 111-17209-D, Dec. 12, 1945 (made public Dec. 29, 1945).*

Supplementing 28 War Lab. Rep. 357.

WAGE DIFFERENTIALS–Reduction of differentials between men's and women's jobs

Electrical companies should increase all women's rates by 4 cents an hour to reduce but not eliminate substantial long-standing differentials between rates for women's jobs and men's jobs which it, was proven, cannot be justified on the basis of comparative job content. Exceptions from general increase are made in cases of (1) plants in which women's rates may recently have been adjusted for purpose of narrowing sex differentials; (2) plants in which proportion of women to men is so great as to invalidate intra-plant comparisons of their rates; and (3) plants in which present ratio of minimum women's job rates to minimum men's job rates is exceptionally high of plants in which present differential is as small as 4 cents or less.

In addition to granting general 4-cent increase in women's rates to reduce differentials between women's and men's jobs, electrical companies should establish fund equal to 2

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* Ed. Note: For the National Board's supplementary recommendations of Dec. 21, 1945, see 28 War Lab. Rep. 803.

cents per woman employee on women's jobs in all plants involved in case, including those excepted from award of 4-cent increase. Fund should be allocated by agreement of parties or, failing agreement, on basis of recommendations of special Board representative.

For other rulings are Index-Digest 235.600 and 265.135 in this other volumes.

Majority decision of Board. Opinion by Lloyd K. Garrison, chairman. Public members concurring: Mr. Garrison, Nathan P. Feinsinger, Edwin E. Witte, and Lewis M. Gill. Labor members concurring: Carl J. Shipley, Delmond Garst, Robert J. Watt, and Paul Chipman. Employer members dissenting: Vincent P. Ahearn, Randall Irwin, Earl N. Cannon, and Walter Knauss.

Recommendation

By virtue of and pursuant to the powers vested in it by the Executive Orders 9017 and 9599 of Jan. 12, 1942, and Aug. 18, 1945, respectively, the Executive Orders, directives, and regulations issued under the Act of June 25, 1943, the National War Labor Board hereby recommends that the following terms and conditions of employment shall govern the relations between the parties:

I. (A) Except as provided in Par. (B) below, women's rates in each of the plants involved in this case shall be increased four (4) cents per hour immediately, retroactive to Apr. 1, 1945.

(B) The record in this case indicates that there may be special circumstances in particular plants which would not justify, under the circumstances of this case, any or all of

the adjustment across the board contemplated by Par. I (A) above. Such exceptions shall be limited to particular plants in the following categories: (1) Plants in which women's rates may recently have been adjusted through collective bargaining or by Board order for the purpose of narrowing intra-plant sex differentials, subject to any understanding between the parties with respect to such adjustments in relation to this case or (2) plants in which it might be contended that the proportion of women to men is so great, particularly in lamp plants, that an intra-plant comparison of men's and women's rates would be of doubtful validity or (3) plants in which the present ratio of minimum women's job rates to minimum men's job rates is exceptionally high or plants in which the present differential between such rates is as small as four (4) cents or less.

II. The parties shall, upon receipt of these recommendations, meet for the purpose of determining which particular plants fall within the special cateogires mentioned above and what part, if any, of the four (4) cent adjustment is not justified for such plants or groups therein under the circumstances of this case. If, within ten (10) days, the parties have not fully agreed on these questions, final recommendations on any question remaining will be made by Mr. William E. Simkin as special representative of the Board.

III. In addition to the four (4) cent general adjustment recommended in Par. I (A) above, the company shall establish a fund equal to two (2) cents per woman employee on women's jobs in all the plants involved in this case, to be allocated by the parties through collective bargaining among any or all of such plants, including plants in Categories I (B) (1), (2), or (3) above, in such form as the parties may agree. If within sixty (60) days or such other period as the parties may jointly determine, complete agreement has not been reached with respect to the allocation

of the two (2) cent fund, Mr. William E. Simkin, as special representative of the Board, will make final recommendations to the parties.

IV. All adjustments made pursuant to Par. III shall be made effective as of Dec. 13, 1945.*

V. It is recommended that the foregoing terms and conditions be incorporated in a signed agreement reciting the intentions of the parties to have their relations governed thereby, as recommended by the Board.

Opinion of the Board

Dec. 12, 1945

INTRODUCTION

Garrison, Chairman:—This opinion deals with both the General Electric Company (No. 111-17208-D) and Westinghouse Electric and Manufacturing Company (No. 111-17209-D) cases, involving the United Electrical, Radio and Machine Workers of America (CIO). The cases were certified to the Board on the same day, namely, July 20, 1945. The major demands in each case are the same. The companies are competitors; and it is desirable that, so far as the major wage issues are concerned, the approach of the Board should be the same in principle in each case.

This opinion deals only with the two most important wage demands: (1) The demand for a minimum hiring-in rate for all workers, regardless of sex, of not less than 72 cents per hour for hourly workers and not less than $28.80 per 40-hour week for salaried employees and (2) the demand for the elimination of sex differentials in rates of pay.

* Ed. Note: In the Westinghouse Electric and Manufacturing Company case, the effective date is Dec. 12, 1945.

1. MINIMUM HIRING-IN RATE

At the General Electric Company, the demand for a 72-cent minimum rate would affect some of the men's and all of the women's hiring-in rates. The men's hiring-in rates range from 55 cents to 82½ cents, varying from plant to plant, while the women's hiring-in rates range from 50 cents to 65 cents. The plants are located in 33 cities.

There is no complaint in these cases that, in instances in which women have been assigned to work on jobs customarily performed by men, they have not received the men's rates on those jobs. The union contends, however, that the jobs customarily performed by women are paid less, on a comparative job content basis, than the jobs customarily performed by men; that this relative underpayment constitutes a sex discrimination; and that this discrimination affects all the women's jobs in the plants of both companies.

The companies, as the case developed, virtually conceded that there were sex differentials in their plants but contended that the differentials were of long-standing and had been recognized in collective bargaining, that the rates for women's jobs were in line with industry and area practice; and that to change them would place the companies at a serious competitive disadvantage.

Nature of Wage Structures

General Electric

General Electric plants have two wage rates schedules, one for men and one for women. These schedules are step rate schedules, progressing from a starting to a job rate through a series of step rates which automatically increase at the end of specified periods until the job rate is reached.

After a job rate of $1 has been reached, the progression is on merit at 5-cent intervals. The women's step rate schedule has the same time intervals as the men's but the rates and the differentials between the steps are lower. A typical step rate schedule is shown below:

Schenectady

Intervals	Rate	
	Men	Women
Start	$.705	$.565
2 Wks.	.770	.590
1 Mo.	.800	.620
2 Mos.	.840	.650
3 Mos.		.680
4 Mos.	.880	.710
5 Mos.		
6 Mos.	.920	.740
7 Mos.	.960	

This schedule shows the progression of any job from starting to job rate.

The job rate may be any one of the steps, depending on its content. Each step roughly represents a labor grade. The schedule does not, of course, indicate how many workers are at any particular job rate at any particular time. At Schenectady, for example, we understand that the lowest job rate at which men are now employed is 80 cents and for women 68 cents.

Differentials between the top rates of men's and women's jobs on the progressive schedule range from 10 cents to 25 cents* while differentials between men's and women's starting rates range from 5 cents to 19 cents. The company's figures follow:

General Electric

At General Electric, the union relies primarily on a point evaluation plan which was in use in 1937. It is described generally in a manual entitled "Job Evaluation" and in more detail, as applied to a particular plant, in a manual prepared by the planning and wage payment department of the Erie Works, dated May 10, 1937. In this latter manual, the following statements are made:

"In evaluating the characteristics of a job, the point value allowed each characteristic should be in proportion to its importance on that job.***

"Thus, all jobs receive proper consideration, one to another on each characteristic, and the sum total of the characteristic values of each job, after adding the base content, will be in correct relationship to each other, and the rates so determined will be equitable and just.***

"The total points, including the base points thus assigned, are then to be multiplied by the value per point which is suitable to the status of the job.

"The value per point for day work performance is to be set to establish average day rates with a maximum permissible day rate of 5 percent above, while the value per point for incentive performance is to be 15 percent higher than for day work. For female operators, the value shall be two-thirds of the value for adult male workers."

Neither the union nor the company furnished the Board with any further information regarding the 1937 point evaluation system, and the company belittled its importance, asserting that, after a few years of trial, it had been found to be impractical and had been given up at about the time the union was recognized as the collective bargaining agent. The company was even unable to supply the Board with a

copy of the Erie manual, and the only available copy was furnished by the union. The manual seems to us significant, however, as indicating that, at least, as recently as in 1937, a mark-down technique was used in rating women's jobs which did not differ in substance from that employed under the Westinghouse 1938 plan, which is still in effect.

Extensiveness of Women's Jobs Below Male Common Labor Rate

There is a heavy concentration in the plants of each company of women's jobs carrying rates substantially below those of the male common labor rates. For example:

At the Lynn River Works of the General Electric Company, a breakdown by the company as of August 1945 of the jobs performed by the 923 women then employed showed that, approximately, 5 percent were on job rates at 62 cents (day work); 20 percent were at 65 cents; 15 percent at 68 cents; 15 percent at 70 cents; 35 percent at 74 cents; 20 percent at 77 cents; 4/10 of 1 percent at 80 cents; 2/10 of 1 percent of 84 cents, the highest rate of women's jobs. Male common labor was at 80 cents.

* * *

*General Electric**

PHOTOG – TABLE on page 1280----------

* * *

Conclusion as to Extent of Sex Differentials

On the basis of the entire record, we conclude that the union has established the existence in the plants of both companies of substantial differentials between rates for women's jobs and men's jobs which cannot be justified on the basis of comparative job content. For reasons which will be discussed more fully below, the exact extent of the differentials ascribable to sex cannot now be precisely determined nor can we say that they are the same in all plants or with respect to all jobs.

In our final discussions with the parties, the representatives of both companies virtually conceded that the differentials could not be justified on the basis of job content. They advanced other justifications which will now be considered.

Grounds Advanced for Justification of Sex Differentials

Sociological Factors

As has already been noted, the Westinghouse wage administration manual frankly states the factors which, in the company's judgment, have warranted, up to this time, a lower wage curve for women than for men. Those factors are listed as: "the more transient character of the service of the former, the relative shortness of their activity in industry, the differences in environment required, the extra services that must be provided, overtime limitations, extra help needed for the occasional heavy work, and the general sociological factors not requiring discussion herein."

While the General Electric representatives did not define these factors quite so explicitly, it was evident from their presentation that they share the same general point of view,

namely, that women are worth less for purposes of factory employment than men.

In cases previously before the National War Labor Board, analyzed under "applicable precedents and principles" above, these arguments were considered and rejected. The principle was laid down that intangible alleged cost factors incident to the employment of women could not legitimately be used to reduce the rates to which the women would otherwise be entitled on the basis of job content.

The principle was also laid down that, where there were ascertainable and specific added costs to the company resulting from the use of women, such as provision for extra helpers or for rest periods not necessary in the case of men, appropriate adjustments in rates may be made. In the cases now before us, no evidence of such costs was introduced.

From our study of these cases, we make the following additional observations. If men were to be substituted for women on the so-called women's jobs, there would probably be a very real loss in efficiency and productivity since it is recognized that men are not as well adapted as women for light, repetitive work requiring finger dexterity. The productive worth of women on the jobs to which they are customarily assigned, if fairly weighed, might well offset any added production costs resulting from such factors as absenteeism, transient character of service, etc.

In any event, these factors are not taken into account by the companies or by employers generally when women are working on men's jobs or on jobs which are interchangeable with men. Industry generally has accepted the principle of equal pay for equal work in such situations. If the inferior value of women as workers could validly be argued, it could be argued that, even in the situations mentioned, women should be paid at a lower rate than men.

In a bulletin issued by the National Association of Manufacturers in May 1942, the factors enumerated by Westinghouse above as affecting the values to be assigned to women's jobs were cited, but the bulletin nevertheless stated that:

"There is little difference between men and women as regards their satisfactory performance in industry. Sound employment and personnel practices are applicable to both men and women and no emphasis should be placed on any distinctions between them as workers."

The true source of the sex differentials is probably to be found in history rather than in any objective tests or cost calculations. In a memorandum entitled "Differentials In Pay For Women," dated September 1945, submitted by the Women's Bureau of the Department of Labor to this Board as a part of the record in this case, it is pointed out that:

"In an early period when women were first entering industry as a new part of the labor force, carrying over into the factory household skills that were not given a high money value in the public mind, women were paid at lower scales of wages than those usually paid men. In this, they suffered from the same type of wage exploitation that ordinarily has occurred with the entrance of any new group to industry, such as migrant workers or those of different nationalities or races.***

"***From this, two parallel wage structures grew up, one for men and one for women, the latter fixed on a lower scale, frequently without valid reasons that would hold up under objective tests. Frequently and especially where women are involved, wage rates have been determined by tradition or custom or prejudice wholly unrelated

to the requirements of the job or its exactions from the worker.

"These low pay scales for women were continued long after women had demonsrated their efficiency in various skilled occupations even though industry came to depend on their work to an increasing extent. There were several reasons why this was so, not the least being that there has been little public understanding of the serious effects of this situation on the American economy as a whole."

On the record before us, we conclude that the companies have not made out a justification for the existing sex differentials on the basis of sociological factors affecting the value of women as industrial employees.

Community Practice

There is no doubt that the rates paid by the companies for women's work are in line with the community practice in the different localtieis and that the companies periodically survey the going rates in each community as a guide to adjustments in their own wage structures. As stated above, the companies rely on this practice as constituting a community judgment with which the government ought not to interfere – at least not in the case of a single plant among many plants in a particular community. This argument is closely akin to the argument that any decision in the pending cases would place General Electric and Westinghouse respectively at an unfair competitive disadvantage in the industry. We shall discuss the competitive question presently. For the moment, we are concerned with the contention that, because a given community places a certain value on particular types of women's jobs, that value judgment should stand.

If this contention were sound, it would follow that no exploitation of any group could be ended (save by voluntary action) if it constituted the common practice of the employers in the locality. The real question is whether any exploitation exists. If it does exist, as we believe that it does from the evidence in this case, it should be ended, and the fact that others practice it ought not to stand as a bar.

This conclusion is strengthened by the fact that in recent years there has been an increasing trend toward the elimination of sex differentials in industry so that community practices are already in the process of change.

The Women's Bureau, in the memorandum referred to above, reports that:

"During the war, an increasing number of progressive employers have paid women the same rate as men if on similar work, and certain of the most advanced employers have systems of job evaluation which result in equitable relationships between rates of women and men on different jobs as well as equal pay for women on jobs comparable to men's.

"In most of the major airframe and shipbuilding plants visited by the Women's Bureau agents during the war period, the policy was to hire women and men under the same progression policy and pay them the same rates. This situation probably reflects the influence of the National War Labor Board in these industries.

"The 1943 New York state study, previously referred to, showed that, in 60 percent of 143 manufacturing plants reported and in 63 percent of 56 nonmanufacturing firms, inexperienced women received the same entrance rates as men.

"Of 148 plants studied in March 1943 by the National Industrial Conference Board, over half paid inexperienced women to be placed on men's jobs identical rates with men.*

The National Association of Manufacturers, in the bulletin referred to above†, stated that:

"In the matter of wage policies, we advocate the principle of equal pay for equal performance by women. In effectuating this policy, it is essential that consideration be given to methods whereby 'equal work' may be measured. In this connection we recommend that industry give thought to the wider use of such techniques as job analysis and evaluation to determine the precise nature of the job and the elements comprising it.

"In approaching this problem certain pertinent factors are apparent, among them***."

The bulletin then listed the factors of absenteeism, etc. which have already been discussed above.

These trends toward the elimination of differentials have been further reflected in and, in turn, encouraged by, policies of the Federal Government which run back as far as 1915 and state legislative action beginning in 1931. These governmental policy dedevelopments are summarized in the following section.

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* *The Conference Board Management Record*, October 1943, p. 404.

† *Labor Relations Bulletin No. 41*, p. 1.

Policies of Federal and State Governments

The Women's Bureau memorandum in this case lists (with supporting citations) orders, rulings, or declarations in favor of equal pay for equal work by the following agencies of the Federal Government:

The Commission on Industrial Relations (1915), the War Department (1917), the War Labor Conference Board and the National War Labor Board (1918), the Women in Industry Service of the Department of Labor (1918), the U. S. Railroad Administration (1918), and the U.S. Civil Service.

EXHIBIT NO. U-1 to the Pre-Trial Stipulation of Facts (not printed here as it is printed at pp. , *supra*).

PLAINTIFFS' EXHIBIT 17A-1)
Employee and Community Relations Instructions, Salem, Virginia, dated 2-1-68, p. 1, Instruction No. ER 2.31.

* * * * *

EXHIBIT NO. U-2 to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 17A-2)
Employee and Community Relations Instructions, Salem, Va. dated 2-1-68, p. 1, Instruction No. ER 2.32.

PERSONAL ILLNESS

It is the obligation of an employee removed for personal illness to keep his supervisor informed monthly as to the probable date of return to work. This obligation to notify the supervisor will be waived in case of pregnancy until after eight weeks after termination of pregnancy.

A. Notice of Recovery from Disability

It will be the supervisor's responsibility that an employee returning to work after an absence of two weeks or more due to personal illness, from absence of any duration due to an injury in the plant or from confinement in the hospital of any duration, report to the plant dispensary for an examination prior to starting to work.

On the initial day of his return, the employee must present a doctor's statement regarding the advisability of his returning to work. An employee who, in the opinion of the plant physician, is determined satisfactory to resume work, will be given a Notice of Recovery from Disability (Form AF-715), in duplicate. He will present this notice to Personnel Practices for consideration for re-employment and will give the copy to his supervisor.

B. Recall from Personal Illness-Pregnancy

In general, when an employee is removed from the payroll for "personal illness-pregnancy," she will be returned to her former job assignment and classification.

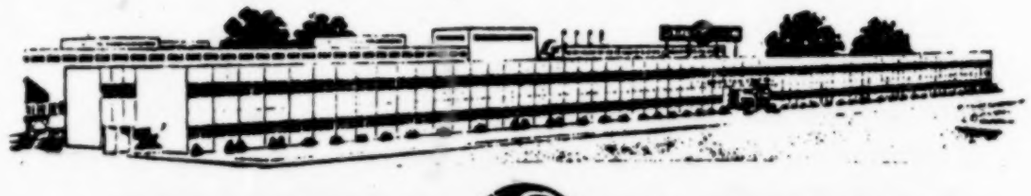
If an employee leaves for "personal illness-pregnancy" before the normal six-month period of leaving or does not return to work within the allotted time of eight weeks following termination of pregnancy, there is no guarantee that she will be returned to her same job classification and assignment; however, every effort consistent with effective operations will be made to return her to her same job classification and assignment.

If the employee cannot return to her former job classification and assignment, she will, in accordance with her continuity of service, displace the shortest service employee in her former job classification or a similar occupation.

PLAINTIFFS' EXHIBIT NO. 17B
Employee Handbook, GE, Industry Control Dept., Salem, Va., issued employees at Salem, Va. February 1970.

This is also EXHIBIT U-3 to the Pre-Trial Stipulation of Facts.

EMPLOYEE HANDBOOK



GENERAL ELECTRIC

Industry Control Department

Salem, Virginia

Maternity Absence

It is the policy of the Department that pregnant employees will be required to terminate active work at the end of the sixth month of pregnancy. The employee may terminate active work any time before the end of the sixth month if she so elects.

Unless there are verified medical complications, an employee desiring to return to work must report back not later than eight weeks after termination of pregnancy.

EXHIBIT NO. V to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 48)
"Filled-in form on subject of pregnancy leave from J.P. Yandell, Specialist, Personnel Practice, GE Tyler, Texas, directing Faye Thomas to quit work on February 16, 1972.

GENERAL ELECTRIC

PHOTOG – p. 1285 THE TOP OF THE PAGE

Dr. Kenneth Orten examined Faye Thomas due to pregnancy on 2/14/72. A statement from her personal physician advised her expected date of delivery to be 5/19/72. Furthermore, in compliance with company policy, Dr. Orten advised that she may continue her regular duties until 2/18/72 assuming no contraindications arise. She should report to the company nurse in the Dispensary once monthly until the beginning of her 6th month at which time she should report to the nurse weekly thereafter. Her absence due to pregnancy, unless otherwise indicated, should commence 2/18/72. All of the above facts have been explained to the employee.

/s/ J.P. YANDELL
J.P. Yandell
Specialist, Personnal
Personnel Practices

EXHIBIT NO. X to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 50)
"Letter from Oliver N. Pettey to D.V. Dorsey dated 2-15-72.

Mr. D. V. Dorey
Manager, E. & C. R.
General Electric
Tyler, Texas 75701

Subject: Pregnancy Leaves.

Dear Mr. Dorey:

The International Union of Electrical, Radio, & Machine Workers and IUE, Local 782 consider your company policy requiring female employees to leave work three (3) months before expected delivery during pregnancy is illegal under Title VII of the Civil Rights Act of 1964.

Several decisions on this subject have been rendered by the Equal Employment Opportunity Commission and by The Courts. For your information we cite, *Cohen v. Chesterfield County School Board*, 3 FEP Cases 526 (U.S.D.C.-E.D. Va. May 17, 1971; *Middletown Board of Education*, 56 LA 830 April 26, 1971; *Schattman v. Texas Employment Commission*, 3 EPD Par. 8146 U.S.D.C.W.D. of Texas, March 4, 1971.

Erma F. Thomas has been notified by Employer & Community Relations that she cannot work after February 18, 1972. At least one other employee, and possibly others, are or soon will be given similar notification, only the dates varying.

We request that Mrs. Thomas be notified that she may continue active employment at the Tyler General Electric Plant until her personal physician declares her unable to work. We further request any and all others similarly situated now or in the future be allowed their legal right to continue active employment until declared disabled from work by the physician in charge of the case(s).

Mr. D. V. Dorey
February 15, 1972 FILE COPY page 2

I would appreciate an immediate affirmative answer in writing from you about this matter, as in Mrs. Thomas' case there is little time remaining before her active employment will be interrupted.

Yours truly,

Oliver N. Pettey
President
IUE, Local 782

EXHIBIT NO. Y to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 51)
"Letter from S.J. Przywara to Oliver N. Pettey, dated 2-16-72.

PHOTOG – HEAD p. 1287——————————

February 16, 1972

Mr. Oliver Pettey, President
Local 782, IUE (AFL-CIO)
P L A N T

Re: Removal for Personal Illness - Pregnancy

Dear Mr. Pettey:

The Tyler plant practice regarding removal of pregnant employees from payroll at the end of a specific number of months of pregnancy had previously been modified to consider the removal based on the individual's ability to perform the specific duties of her regular job, efficiency and personal medical safety.

This modification apparently was not incorporated into the dispensary procedure when Erma Thomas was informed of her removal date. Accordingly, she will be permitted to continue working based on the above criteria, including her personal and Company physicians' evaluations.

Yours very truly,

/s/ S.J. PRZYWARA
S.J. Przywara, Manager
Union Relations and Compensation

SJP:ws

EXHIBIT Z-1 to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 18)
Murfreesboro, Tennessee News Digest, Jan. 15, 1973.

PHOTOG – NEWS DIGEST HEAD p. 1288 ---------

DAVE'S QUESTION CORNER

Well, I got my first batch of questions last Friday and I am starting to work on the answers. Some questions I can get answers for easily but others may take a little time.

Q. Is it a Company policy that all pregnant female employees take their leave of absence at the beginning of their sixth months?

A. The best information I could get on this question is that generally speaking pregnant employees may work until the end of their sixth month at which time they are to take their leave of absence. If you leave on maternity absence your service with the Company will be protected for eight weeks after the birth of your child. Additional information on this subject can be obtained from the Dispensary.

EXHIBIT NO. AA to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 52)

Grievance of Betty Snyder, Tell City, Indiana, filed 2-11-70.

EMPLOYEE GRIEVANCE FORM

No. 2861 SD Department

Date Feb. 11, 1970

Employee Name Betty Snyder Clock No. 22096

Job Shaded Coil Operator Foreman Jerry Thomas Union Rep. Mary Blake

My Grievance is that I was denied the right to continue working through my seventh month of pregnancy as allowed by Company rules and practices. The last day I was allowed to work was June 30, 1969. My doctor had told me I could work until August 1, 1969. My delivery date was October 7, 1969.

I ask that I be made whole for any and all losses due to this arbitrary action.

Betty R Snyder
Employee Signature

Received by Foreman: Hour 10:00 AM Date 2-11-70

Foreman Disposition of Grievance: Our files show some conflicting information concerning your pregnancy terms. However the L.O.P. date of 11-14-68 is on all reports from Dr. Rau even the one dated 6-27-69.

In your case I do allow pregnancy time absence as I would allow all other leave and your last day at work date will be as in other cases.

There was no breach of Company rules or practices.

L. D. Thomas - 2-18-70
Foreman Signature

Rejected - B.R.S.

Received by Personnel Office: Hour Date

Appealed: Hour Date Forwarded To Hour Date
Mgt. Representative

12

EXHIBIT NO. BB to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT No. 53)

Appeal filed 9-16-70 by Betty Snyder from denial of grievance.

GRIEVANCE APPEAL FORM

SECTION SHD DATE 2/16/70

NAME Betty Snyder CLOCK No. 22096

JOB Shaded Coil Operator FOREMAN Jerry Thomas UNION REP. Mary Blake

We do not accept disposition of grievance No. 2861 and wish to appeal.

SUMMARY OF GRIEVANCE:

Denied the right to work through seventh month of pregnancy as allowed by Company rules and practices. Appeal to Step #2

RECEIVED Hour Date SUBMITTED BY Hubert Winchell

5 393 Rev.

EXHIBIT NO. CC to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 54)

National Docket No. 23,980, Second Step Answer to grievance of Betty Snyder.

Nat. 23980

MAR 1 8

DISPOSITION OF GRIEVANCE

Tell City PLANT SECTION SMD DATE 2/18/70

NAME Betty Snyder CLOCK No.

YOUR GRIEVANCE No. 2861 IS DISPOSED OF AS FOLLOWS: STEP 2 ☐ STEP 4

We have again checked the doctor's reports on your case. On all rep
the LMP is shown as 11/14/68.

We treated your case as we have others before and since. Your reque
for pay for time not worked is denied.

Union

A. H. Oberhausen (Signed)
COMPANY REPRESENTATIVE

BEST COPY AVAILABLE

EXHIBIT NO. DD to Pre-Trial Stipulation of Facts

"Third Step answer to Betty Snyder grievance, N.D. No. 23,980."

COMPANY POSITIONS IUE Meeting Date-June 25, 1970-July 10, 1970

Tell City, Indiana

* * *

N.D. 23980 Discrimination or Coercion

It is the Company position that there was no discrimination involved or intended and there was no violation of the Agreement.

* * *

EXHIBIT NO. HH to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 29)
"Letter, Metropolitan to Randall, dated 11-1-71.

METROPOLITAN LIFE
One Madison Avenue
New York, N.Y.

Mr. J.C. Randall, Supervisor
General Electric Company
Industry Control Department
1501 Roanoke Boulevard
Salem, Va.

Re: BARBARA HALL

Dear Mr. Randall

The claim recently submitted on behalf of Mrs. Hall has been received and indicates that the insured is under the care of a physician for pregnancy.

Since benefits under the Weekly Sickness and Accident Insurance are not payable for any absence due to pregnancy or resulting childbirth or to complications in connection therewith, we regret our inability to favorably consider the claim for benefits.

Yours truly,

/s/

N.E. Sarmiento, Assistant Supervisor
Group Health Claims

November 1, 1971
DC:JNO

EXHIBIT NO. LL to the Pre-Trial Stipulation of Facts
(PLAINTIFFS' EXHIBIT NO. 56)
Minutes of Negotiations Between GE and IUE, August 31, 1960.

National Level Negotiations
August 31, 1960
Conference Room - 10th floor - New York City

IUE

Present at Meeting:

Company: Moore, Ritter, Willis, Hilbert, Dolfi, Reed, Kneeland, Baldwin, Northrup, Highton, Nunn, Zook (a.m. only), Barecca, Wagner (a.m. only)

Union: Carey, Sigal, Lasser, Callahan, Swire, Jandreau, Fitzmaurice, Egan, Quinn, Onion, James, Litano, Lawalin, Stanley, Toughill

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Carey: If there is anything they agree about on this side of the table, Bud, it's you. Can I get past you, Mr. Ritter?

Ritter: I wish you would.

Carey: You have a sense of inferiority which was brought about because of the people around you. Mr. Moore is in the position that you should have, and Day was in it before, and you're embittered.

Ritter: You aren't helping me, Mr. Carey.

Carey: You know what little respect that I had for the three people here that I thought could do something has taken a shattering plunge.

Kneeland: Me too?

Carey: You too.

Stanley: There has been no response to the practical suggestions by the committee, and nothing has been brought out. We have differences in opinion, or don't you think they are different? Are you going to take the position to impose this on the employees, or are you going to get to something? I'll get to Ritter later because I have 144 grievances at the third level, and he has job security.

Jandreau: A few days ago, I asked for some information on the age brackets of the people in the areas that would be affected by the vacations. I would like to have some of this information for this area because you are so concerned with the costs. We have the cost for the holiday of .004%.

Moore: I think your costs are reasonably close.

Jandreau: Is it true that 50% of the employees have 25 years or more of service? If it were 50%, it would bring the cost of the vacations down to 1%.

Moore: Mr. Jandreau, you know we discussed the level of benefits.

Jandreau: From our information, the average wage offer is way above what you are offering. You aren't in line with the going offers. It seems to me that since you don't have it in your offer that there would be room for improvements in vacations and holidays. If we are talking 1%, I think there is room for considerable improvement. These also help employment stability. As for the longer service fellow, as he gets older he needs more time off. You know this provided

employment in the Turbine Department because they had to bring in people when the others had vacations. I think in light of what it would cost the Company, the going offers, and the offer that you put forth, there should be some room for holidays and vacations.

Sigal: The average increase for industry in general has been 9¢ to 10¢ per hour. The best calculation that we can get is that yours is less than 9¢. That's pretty cheap for a going concern like yours. Are my calculations wrong?

Moore: I don't have any idea how you calculated it, Mr. Sigal.

Sigal: Don't you know what it costs?

Moore: I don't know. It hasn't occurred yet, so I don't know what it will cost us.

Sigal: Your proposal you don't know, but yet you said that ours costs $500 million.

Egan: Why did you calculate ours?

Moore: Just to show how ridiculour your demands were.

Egan: Is yours less than 9¢ per hour?

Moore: I don't know.

Sigal: You mean you don't know?

Moore: It's different. Let's look at it. With 3% for an employee who gets $3.00 per hour, he gets 9¢ the first year.

Egan: Take the average employee who gets $2.30 per hour.

Moore: Seven cent increase the first year, and 16¢ over the three year period.

Sigal: He gets less than 5¢ per hour per year then. Find the other 4¢, Mr. Moore.

Moore: We haven't put a figure on the package.

Sigal: Do you expect us to accept that? What is your estimate. Surely you must have estimated this before you came forth with the proposal.

Moore: We don't have an estimate.

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Sigal: You obviously considered the cost, did you not?

Moore: Mr. Sigal, don't get yourself all worked up because G.E. works on a level of benefits basis, not the cost per item.

Carey: You talked about the costs of foreign competition and all of that.

Hilbert: Yes, it may cost jobs too.

Carey: Do you know how many jobs it will cost? Do you know what the substantial cost will be in terms of jobs?

Hilbert: It may be many if we don't get the customers.

Carey: Did I understand Mr. Moore to say that the Company bargains on a level of benefits basis and not costs? You can determine our cost, but you can't determine yours. You know the costs of vacations.

Hilbert: What Leo suggested on costs varies from plant to plant. On some of the components it wouldn't cost anything one year and on others it would be a big cost.

Carey: What you are saying is that you could estimate ours but not yours.

Moore: Mr. Jandreau, for the record, the vacation costs are taken across the board by product department or by location.

Jandreau: If you take it by department, then it may affect other locations. For instance, in Turbine it would cut across Lynn and Schenectady and any other places, right?

Willis: It would be allocated to each department. In that situation there are departments in Lynn and in Schenectady and it would be allocated to both.

Sigal: How you allocate the costs isn't important. It's the overall cost that counts. You mean to tell me that you don't know what it will cost you before you make a proposal.

Hilbert: Overall costs don't mean anything in some cases. It may mean a loss of jobs in some other areas.

Sigal: It's nonsense because right now you are figuring on what this proposal will cost in the new orders that you are bidding on.

Moore: Mr. Sigal, you ought to stick to law and not finance.

EXHIBIT NO. LL to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 55)
Minutes of September 1, 1960 between IUE & GE.

IUE September 1, 1960, Philip D. Moore and E.S. Willis representing GE

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2:10 p.m.

Callahan: In the insurance area, the Company did adopt a few minor items that we suggested on pensioners' insurance, dependent coverage while on layoff, coverage for disabled employees and in the maternity area. The Company made some improvements, but in the average situation, the employee would be better off under the old plan.

Willis: In the average case, the employee will get more under this plan. Our figures indicate that the average benefit under this plan will be $185 for a pregnancy. Under the old one it was $150.

Swire: What do you pay when the cost of the pregnancy is $185?

Willis: The plan pays $150.

Swires: Who pays the $35?

Willis: The employee.

Swire: I assumed that the Company would pay this like they would co-insurance.

Willis: No.

Swire: Your proposed plan is no better than your present plan unless the benefit is $300 or over.

Willis: That's right. It wouldn't pay any more.

Callahan: Blue Cross is better.

Willis: You wouldn't want to pay Blue Cross rates would you?

Swire What's the cost of maternities?You gave us a great deal of information over the past two years but . . . . .

Willis: We have given you information since 1955.

Swire: I could not determine the exact cost of the increases in hospital to the costs of the Company.

Willis: What do you think caused the costs to increase?

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Swire: If you wouldn't have destroyed the records and would have given us the information, we would know. I'd like to have the figures right here before me so I would know.

On the improvements in medical care for the pensioners that we talked about this morning, I understood that it applied to those who retired previously.

Willis: It applied to those who retire in the future.

Swire: We are asking you to do the same thing that you did in 1955 for the pensioners.

Willis: Mr. Moore told you about the pensioners.

Moore: You don't bargain for them Mr. Swire.

Swire: We are asking for an improvement in maternity. We want the Company to pay everything up to $500, then co-insurance after that.

Willis: Something like that is out of reach. Maternity is the most extensive item.

Swire: What does it cost, Sid?

Willis: We talk level of benefits, not costs.

Swire: You just said it was expensive.

Lasser: In your plants you talked costs. You had listings of the various costs.

Willis: If I recall what we did was compare our insurance with the cost to get similar coverage on the outside.

Callahan: Even with your improvements, it's not a good maternity plan.

Lasser: How many pregnancies do you have a year?

Willis: About 25,000 per year.

Lasser: You mean there are pregnancies for every one out of ten employees?

Willis: You know this includes dependents.

Lasser: Does the premium remain the same?

EXHIBIT NO. LL to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 56)
"Minutes of September 7, 1960 between IUE & GE"

National Level Negotiations
September 7, 1960
Conference Room - 10th Floor - New York City

IUE

Present at Meeting:

Company: Moore, Ritter, Willis, Hilbert, Reed, Kneeland, Dolfi, Baldwin, Northrup, Nunn, Barreca

Union: Carey, Callahan, Jandreau, Phelps, Lasser, Toughill, Litano

* * *

Lasser: Yesterday, Mr. Moore, I asked you a qyestion and you didn't answer it for two hours. For two hours I tried to get an answer on your reasoning for wage increases.

Moore: The wage increase justifies itself.

Lasser: If I took you seriously, Mr. Moore, I might get angry because I think you are smarter than you act. From 1951 to 1953 you had a 31 cent increase. From 1952 to 1954 you had a 21 cent increase which included the recession of 1954. From 1953 to 1955 you had a 19 cent increase which included

Lasser: all of the 1954 recession. From 1956 to 1958–a 29 cent increase and from 1957 to 1959, a 33 cent increase; and what do you offer for 1960 to 1963–16 cents per hour increase. It is the worst proposal in a ten year period.

Moore: Your conclusion is impeccable, Mr. Lasser. It is not as much as the past five years and we had told you that it wouldn't be as substantial.

Lasser: How do you justify the wage proposal? It is the worst.

Moore: Do we have to justify it. The trend has been downward, Mr. Lasser.

Lasser: It hasn't been downward.

Moore: At least be honest abouti it, Mr. Lasser.

Lasser: The trend isn't downward–prove it to us. You take the lordly attitude that you don't have to justify your demands.

Moore: Mr. Lasser, did you justify your demands?

Lasser: We took four things, and considered them–the productivity of the workers, the ability to pay, matching the increases in other industries, and providing GE employees with an adequate standard. We submitted 15 pages to you on our justifications for the wages.

Callahan: Are you going to put it in the press that

Callahan: the Company doesn't have to justify their increases?

Moore We said that many factors were considered.

Callahan: I can see tomorrow's headline–Company Doesn't Have to Justify Increase.

Moore: Who is going to believe that. Let us get down to the proposal.

Lasser: You are squirming away again, Mr. Moore.

Moore: We bargain on what is the appropriate thing to do and the level of benefits.

Lasser: What is the appropriate thing to do?

Moore: Other companies' settlements, our level of benefits–you know what they are.

Lasser: We have been standing still for ten years relatively speaking.

Ritter: We are still ahead in other items, aren't we?

Lasser: Like what?

Ritter: Look at the spendid settlements in pensions and insurance of 1955. We are way ahead.

Carey: No, you are falling back Bud. When did you you have additional holidays?

Ritter: That is not the question before us now.

Carey: You have admitted you are falling back relatively.

Reed: We haven't admitted that. Where have we fallen back?

Carey: The steel industry didn't know about paid holidays when GE had them.

Willis: Where is the steel industry in holidays now?

Carey: Steel still isn't where they should be. How about their wages?

Willis: Steel isn't comparable. Their work is different and they don't have women; therefore, our average wage is lower. They also aren't mechanized like us.

EXHIBIT NO. LL to the Pre-Trial Stipulation of Facts

(PLAINTIFFS' EXHIBIT NO. 57)
"Minutes of September 22, 1960 between IUE and GE.

Willis: Those people retired at a $3 minimum.

Jandreau: It seems to me that we are talking about nothing and seems to me it would lead to an agreement.

Carey: Sid, we were hoping that if you didn't have any limitations posed on you we could get an agreement. You said we left out something. What was it?

Willis: The coverage on the unemployed people–the waiver of the premiums for one year. The contributions for employees and dependents will be waived for one year for those on layoff.

Carey: What is this you are toting around the country on your loan plan?

Willis: You mean Emergency Aid?

Carey: Where does that fit in?

Willis: If you make that No. 10 on your list it is okay with us.

Carey: You don't think there is anything more that can be done on pensions and insurance, is that it Sid?

Willis: I think it is a good liberal pension and insurance plan.

Carey: I think it the most splendid finest offer we have got in negotiations–wouldn't it be a hell of a note if we got down to an agreement and the effective dates caused the plants to shut down?I think it would be a hell of a note if we couldn't get an agreement on that. I would say that you'd be waiting for a miracle from Schenectady, Sid.

Moore: Mr. Carey, we have . . . . . .

Carey: If we can't get an agreement today, it is in a bad way. There are limitations on you and all of the negotiators. You better get a better date than April 2, Mr. Moore.

Moore: We think it is a good date, Mr. Carey.

Carey: Make the pensions proposition October 1, 1960 and October 1, 1961–the same as

Carey: you would make the wages. We made you a proposition yesterday and you didn't grab it.

-15-

Willis: What is that?

Carey: On union pensions–the effective date. Anyway we can negotiate with Management on the dates. Can they be changed, Sid, in any way from the April, 1962 date. It is not a good date.

Swire: If we could get agreement with you in the next five minutes . . . . . .

Carey: Now hold off here.

Willis: The offer stands as it is, Mr. Carey.

Stanley: The offer stands because you refuse on any request that we would make–the cost is of no concern with you, but it is just because we request something that you would refuse to give it.

Willis: These issues go beyond cost. We made this offer after we had listened to you for weeks. It is a very sound proposal.

Stanley: It is nonsensical to sit in these negotiations with you like this.

Carey: Do you think it is unsound with our suggestions?

Willis: I think it is sound now.

Carey: Could you bring in for the conciliators the difference in terms of the cost between what we are propsoing and what you want. You know—the cost of making the effective dates different.

Moore: Are you saying that that is the only difference in reaching an agreement?

Callahan: On pensions it might be.

Stanley: This is evidence of your inflexibility. The only reason you won't incorporate it is because we made the proposal.

Hilbert: Give us some reasons why it should be changed. You haven't convinced us.

Carey: I can. It would help us to get an agreement and the cost of it is very little to you.

Willis: Consider the $2.50 at this time to be unsound with the wage rates the way they are.

-16-

Swire: What do you mean unsound?

Willis: It is too high.

Carey: You know, Sid, I studied in school. I studied mathematics, calculus, and I studied Steinmetz too. You tell me how much. Don't tell me the added costs would make it less sound.

Swire: I estimate the maximum cost to go from

Swire: $2.25 to $2.50 monthly would be .2 of one cent.

Carey: I think it is so insignificant in view of all the reserves that they have Mr. Conciliator. We have $1 billion in the Pension Trust Fund.

Willis: There are very few employees with that type of a guarantee behind them.

Carey: The proposal that I had for housing and the 5% return on it would take care of this little cost. Sid, we want the information on the costs. You can't deprive us of that information. We are asking you to determine the costs of making the effective dates that we suggest and the difference in yours.

Moore: Mr. Carey, we are talking of level of benefits. You know that. We don't talk cost. We talk level of benefits.

Carey: Sid, I would hate to have you wake up some morning like October 2 and find the plants closed down because you wouldn't give us the information.

Willis: I think I'm reasonably safe because I don't think you will close the plants for that alone.

Carey: While Krushchev, Castro and all those guys are here, why can't we come to an agreement. It would be a wonderful thing to do.

Willis: I agree with you. It would be a wonderful thing to get an agreement.

Carey: Why are you hanging on that date, Sid?

Willis: It is the appropriate date, Mr. Carey.

EXHIBIT NO. MM to the Pre-Trial Stipulation of Facts "Statement of Philip D. Moore, Manager, Employee Relations, GE, made to IUE negotions committee on September 22, 1966."

MOORE STATEMENT TO IUE - SEPTEMBER 22, 1966

After more than a week of negotiations discussions with you since September 14th, when we presented our overall economic and benefit proposals we feel that we have a reasonably clear idea of your committee's evaluation of our proposals and also a reasonably clear idea of the priorities you attach to the various counterproposals you have made.

* * *

Our proposal was on the basis of a 36-month duration, and we offered that duration because it seemed to respond best to the needs of both parties. We have reconsidered the contract duration to the extent of an additional two months because—by doing this we think it would then be feasible to do something more on the holiday and the skills adjustment.

The specific effect of extending the contract duration by another two months is not something that can be done in dollars and cents with much accuracy and we

do not propose that we seek to do so here. We think that you will want to balance the attractiveness of the two approaches in terms of what you consider the needs of your members. Throughout our bargaining relationship we have always looked at the level of benefits available to employees rather than trying to figure out how much a given item costs the Company and we think this is the right way in this matter, too.

* * *

EXHIBIT NO. NN to the Pre-Trial Stipulation of Facts "Minutes of September 30, 1966 between IUE and GE."

IUE-GE NEGOTIATIONS
(Meeting with Federal Mediators)

Hotel Lexington, New York, N.Y. September 30, 1966
10:00 am

* * *

Moore: You're going down a different path than we are. I asked a very reasonable question. If you're stuck on 36 months then we have no further ideas.

Callahan: You opening statement on September 29 said you have everything on the table. You make it impossible to answer your question.

Abramson: Are you willing to consider or negotiate on our proposal on cost of living.

Moore: I've responded and when I find out your position I'll answer. I don't want to answer your questions one at a time.

Abramson: Assume we were willing to modify our term what of the 8 items you will move in.

Moore: You tell me what length you're really interested in and I'll respond. Offhand I'll tell you we are not going to move on the Union Shop, Arbitration, Geographical Wage Differentials and Contracting out of work. When you answer me I'll be more specific.

Lasser: Are you prepared to make an improvement on your 42 month proposal? If you have no authority to make a change in substance why are we talking about it.

Moore: If your frozen on 36 months I agree.

Lasser: Do you have anything of substance.

Moore: I'm willing to listen to your persuasion.

Lasser: Right now its up to you to persuade us.

Moore: Mr. Mediator until I get some answers I don't see much point.

Callahan: You've said there is nothing. How can you expect us to answer. If you tell us you're willing to give more, we'll answer.

Moore: You have a fixation on breakthrough. Cost is none of your business because we pay and you don't. If you're on a cost kick you're barking up an empty tree.

* * *

PLAINTIFFS' EXHIBIT NO. OO "Minutes of October 9, 1966 between IUE and GE."

Abramson: But this story described what you said to us.

Baldwin: You weren't even interested in listening to our proposal.

Hilbert: It was kind of hard to talk to people who were hiding under a bed?

Abramson: Does this justify the false publication?You didn't even have the decency to let us know in advance and to give us this proposal to our faces.

Baldwin: We were here in this rrom at 11:00 A.M. Are you sure that what we said didn't actually happen.

Abramson: You mean that you were meeting with yourselves?How phoney can you get?

Baldwin: One fallacy of your position is about the quality of the offer that has been made.

Abramson: You mean its virtues are self-evident.

Baldwin: I think as time goes on you will recognize that it is the best offer ever made.

Blackburn: I don't understand how you can offer such a proposal. The people are so angry about what little they know about it they don't even want to know about contract language. I believe you are strike happy.

Baldwin: I think it is a fantastic proposal.

MANGINO: I think it stinks.

STANLEY: Don't you know what your employees think about it.

BALDWIN: I think when they understand the proposal they will think it is wonderful.

ABRAMSON: Is there an obligation on the part of the employees to go to these captive audience meetings in the cafeteria?

BALDWIN: No, it is completely voluntary.

BLACKBURN: They are compelled to go and told not to respond or to ask questions.

HILBERT: That's right we do not want to negotiate with employees.

BALDWIN: I happen to have a copy of the IUE News dated October 20, 1966. You refer to that agreement as the best contract and (reads IUE News story quoting Mr. Jennings). This is a better contract than the one in 1966. You have an opportunity here available to negotiate fully in 1970 and 1971.

SWIRE: And at that time when it comes, let's assume you say there is nothing available.

BALDWIN: Who says that. Those are factors that can be considered at the time of the reopener.

SWIRE: Suppose the cost of living goes down what can we do then?

BALDWIN: You can come up with some facts.

SWIRE: If there is no additional cost of living who makes the decision?

BALDWIN: Our negotiations.

SWIRE: So then you are still taking the same position. What your offer is is a right to strike this year and in '70 and '71.

BALDWIN: We have a record of reaching agreements without strikes, and our negotiations have produced a good record with IUE.

SWIRE: No one can say that the Company's offer can stand up. Nowhere in all of industry has such an offer even been made asking for a three year contract with 2 wage reopeners annually.

BALDWIN: We have had reopeners before.

FRIEDMAN: Those were 1 year contracts with reopeners at 6 months.

HILBERT: It was a reopener.

SWIRE: You only have a reopener. Do you assure that we will get certain things next year?

BALDWIN: All I will guarantee is that I will sit down and negotiate with this committee.

1310 Page 14 October 9, 1969 – PM

* * *

BALDWIN: Let me get back to my friend from Pittsfield. I know you wanted this to be higher but I believe this is the best offer that was ever made by us.

ABRAMSON: Let me tell you of a textile industry that is depressed. It is the dyeing industry. They signed an agreement that provided 35¢, 30¢ and 30¢ plus 20¢ in fringes. And this is in a rough competitive company.

BALDWIN: We don't argue ability to pay. What are their rates now?

ABRAMSON: Their rates are not up to the electrical industry, but they are in a very competitive industry and you always say that is one of your main considerations in deciding wages.

BALDWIN: We have shown you that we are at or above the median in industry.

ABRAMSON: Joe, did the Company ever make an offer on pensions and then later make a major change in that offer?

Page 15 October 9, 1969 – PM

SHAMBO: Could this Company make the changes that we propose in the pension plan without any cost to the Company?

WILLIS: It would involve some costs.

BALDWIN: The cost isn't pertinent because we don't bargain on costs. We are only concerned with how it stacks up against other plans.

SHAMBO: What is this cost?

ABRAMSON: If you can give an increase in benefits without cost, why don't you do it?

WILLIS: The fund does have costs and the fund is maintained against future claims and there is a certain amount unfunded as yet.

ABRAMSON: But does this fund grow?

WILLIS: Yes, it grows that is why you can put in a certain amount of dollars and pay out even more dollars later on. All of these funds are earmarked for benefits to retirees.

ADERS: You say it is earmarked but what happens when some one quits?

WILLIS: It is earmarked but not for any certain individual. It is for all employees covered by the Plan. If someone quits the amount of money remains in the fund.

SWIRE: I said that the experience with the fund has been good. The benefits have increased and your costs go down.

WILLIS: The level of benefits is our plan. We don't negotiate on costs.

* * *

PLAINTIFFS' EXHIBIT NO. 5
(Exhibit No. B to Pre-Trial Stipulation of Facts)
1970-1973 GE-IUE (AFL-CIO) National Agreement

* * *

ARTICLE XXII

INCOME EXTENSION AID

(Effective January 1, 1971, this Article is modified in a number of respects. These modifications appear at the appropriate place in the Article.)

1. *General*

An employee with three or more years (two or more years) of continuous service will, in accordance with the provisions hereinafter set forth, have available an Income Extension arrangement for use in the event of layoff for lack of work or plant closing.

* * *

10. A grievance arising under this article may be processed in accordance with the grievance procedure set forth in Article XIII. However, no matter or controvery concerning the provisions of this Article or the interpretation or application thereof shall be subject to arbitration under the provisions of Article XV hereof, except by mutual agreement.

ARTICLE XXIII

MILITARY PAY DIFFERENTIAL

* * *

Employees will be permitted to take a vacation and attend a military encampment at separate times and be granted both a vacation pay allowance and a military pay differential.

* * *

* * *

Effective January 1, 1971, the first two paragraphs of this Article are modified as follows. The last paragraph remains unchanged.

An employee with 30 days or more of service credits attending annual encampments of or training duty in the Armed Forces, State or National Guard or U.S.

BEST COPY AVAILABLE

Reserves shall be granted a military pay differential for a period of up to 17 days annually. The employee shall be granted service credits for such 17 day period or portion thereof during which he is absent. Such military pay differential shall be the amount by which the employee's normal straight time wages or salary, calculated on the basis of a workweek up to a maximum of 40 hours, which the employee has lost by virtue of such absence, exceeds any pay received for such absence from the Federal or State Government, recalculated to exclude the Government pay applicable to Saturdays and Sundays. Such items as subsistence, rental and travel allowance shall not be included in determining pay received from the Government.

An employee with 30 days or more of service credits, who is called out by the National Guard or the U.S. Reserves to perform temporary emergency duty (other than duty under an order by the President or Congress activating members or units of the Reserves or National Guard) due to a fire, flood or domestic civil disturbance, or other such disaster will be paid a military pay differential calculated as described above, for the pay lost by reason of such emergency duty, for a period not to exceed four weeks in any calendar year, and shall be granted service credits for such absence up to four weeks.

* * *

ARTICLE XXV

Jury Duty

1. When an hourly-paid employee is called for service as a juror, he will be paid the difference between the fee he receives for such service and the amount of straight-time earnings lost by him by reason of such service, up to a limit of 8 hours per day and 40 hours per week.

2. When a salaried employee is called for service as a juror, he will continue to be paid his normal straight-time salary during the period of such service.

Effective January 1, 1971, the following is added:

3. Similar makeup pay as specified in Sections 1 and 2 will be granted to an employee who loses time from work because of his appearance in court pursuant to proper subpoena, except when he is either a plaintiff, defendant or other party to the court proceeding.

ARTICLE XXVI

Absence for Death in Family

* * *

Effective January 1, 1971, this Article is modified as follows:

An hourly paid employee with 30 days or more of service credits who is absent from work solely because of the death and funeral of his or her spouse, child, step-child, foster child (if living in the employee's home), parent, grandparent, brother, sister, mother-in-law or father-in-law, will be compensated, on the basis of his average straight time earnings, for the time lost by him from his regular schedule by reason of such absence, for three days for each such absence and up to eight hours per day.

ARTICLE XXVII

Sick Pay

1. An hourly employee with five or more years of continuous service, absent because of personal business or personal illness for which weekly disability benefits are not payable under the General Electric Insurance Plan, or under Workmen's Compensation, will, with the Manager's approval, receive Sick Pay for each half day of such absence, up to the number of days applicable in accordance with the following schedule:

Continuous Service	*Maximum Days of Sick Pay in Each Calendar Year*
5 through 9 years	2 days
10 through 14 years	3 days
15 through 24 years	4 days
25 years and over	5 days

* * *

Trial Stipulation of Facts, PP

1313

PLAINTIFFS' EXHIBIT NO. PP to Be - 21
"Claim filed with GE by Barbara Hall."

(Please answer all questions)

(a)'s name (Print) First Name: BARBARA M.I.: S Last Name: HALL

Payroll number 1324 Department Test (Battery Tech)

2. Present address 3492 (Number) View Ave, S.W. (Street) Roanoke (City) VA. (State) 24018 (Zip Code)

Employee's description: ☐ Male ☒ Female Age 26 ☐ Single ☒ Married ☐ Widowed ☐ Divorced

3. Date you were first disabled by this sickness or injury August 13 19 71

4. If you were Hospitalized as a bed patient, answer the following:
(a) Name and Address of Hospital
(b) Date Admitted 19 at (Hour) {a.m. p.m.} (c) Date Discharged 19 at (Hour) {a.m. p.m.}

5. Was your disability caused by an accident? ☐ Yes ☒ No
If your answer is "Yes," answer the following:
(a) When did the accident happen? Date 19 at (Hour) {a.m. p.m.}
(b) Were you at work when the accident happened? ☐ Yes ☐ No
(c) Give a brief description of the accident Maternity Disab

I hereby authorize the Physicians to release any information requested with respect to this Claim.
I certify that the information furnished by me in support of this claim is true and correct.
Date Nov. 17 19 71 Employee's Signature Barbara S Hall

TO BE COMPLETED BY THE EMPLOYER
(Please answer all questions)

1. Employee's name Social Security No.
2. Amount of Weekly Benefits—(60% of Employee's Normal Straight-Time Weekly Earnings Rate) $
3. Indicate Payroll Classification: ☐ Salary Exempt ☐ Salary Non-Exempt ☐ Hourly
4. If this coverage has been canceled, give the date and reason
5. (a) Date last worked 19
(b) Date returned to work 19
6. If Salaried Employee, give the date through which salary continuance is payable 19
7. If claim is being considered in connection with Workmen's Compensation coverage answer the following:
(a) Workmen's Compensation Weekly Benefit Rate $
(b) Period covered by Workmen's Compensation Benefits From (Date) 19 to and including (Date) 19
8. Give information which might assist the Company in the consideration of this claim

17900 00 XXX 0

Pension Unit No. (Branch) GENERAL ELECTRIC COMPANY

Location

Dated 19 By (Name) (Title)

BEST COPY AVAILABLE

...ness or injury Describe complications, if any) Pregnancy

...sickness or injury arise out of patient's employment? ☐ Yes ☒ No
If "Yes," explain

Is disability due to pregnancy? ☒ Yes ☐ No
If "Yes," what was the approximate date of commencement of pregnancy? Feb. 9 19 71

Nature of surgical or obstetrical procedure, if any (Describe fully)

Date performed 19

Give dates of treatments:
Office Prenatal visits
Home
Hospital

The patient has been continuously disabled (unable to work) from 19 through 19
If still disabled, when should patient be able to return to work? six to eight weeks following delivery EDC Nov. 16, 7

Remarks

Date Dec. 6 19 71

Name (Please Print) W. Robert Wiseman, M.D.

Address 1506 Franklin Rd., S.W.

Phone Number (Include Area Code) 345-8124

Signature W Robert Wiseman

FOR USE BY METROPOLITAN LIFE

DIAG. CODE	T.D. DATE	DAYS UP WEEKS	DAYS WORKED	ACC.	LETTER RD.	DISP.	SUPR.	CTL.		APPR. SG.	DATE OF REVIEW
1				YES ☐							
2				NO ☐							
3											

EXHIBIT NO. XX = Pre Trial Stipulation of Facts
Claim. Plaintiff's
by Emma Furch

XX Ltr.

1315

WEEKLY SICKNESS AND ACCIDENT BENEFITS

TO BE COMPLETED BY THE EMPLOYEE
(Please answer all questions)

Work: Shift 2nd; Phone; Bldg.

1. Employee's name (Print): First Name EMMA; M. I. M; Last Name EURICH

Pay number 413959 Department 64L

2. Present address 12511 Englewood (Number) (Street) Tyler (City) Texas (State) (Zip Code)

Employee's description: ☐ Male ☒ Female Age ____ ☐ Single ☒ Married ☐ Widowed ☐ Divorced

3. Date you were first disabled by this sickness or injury 4-21 19 72

4. If you were Hospitalized as a bed patient, answer the following:
(a) Name and Address of Hospital Mother Frances Hospital
(b) Date Admitted 4-21-72 19 at 6:00 (a.m. / p.m.) (c) Date Discharged 4-29- 19 72 at 7:00 (a.m. / p.m.)

5. Was your disability caused by an accident? ☐ Yes ☒ No
If your answer is "Yes," answer the following:
(a) When did the accident happen? Date ____ 19 ____ at ____ (a.m. / p.m.)
(b) Were you at work when the accident happened? ☐ Yes ☐ No
(c) Give a brief description of the accident

I hereby authorize the Physician to release any information requested with respect to this Claim.
I certify that the information furnished by me in support of this claim is true and correct.

Date 5-26-72 19 Employee's Signature Emma Furch

TO BE COMPLETED BY THE EMPLOYER
(Please answer all questions)

1. Employee's name ____ Social Security No. 457 06 3764

2. Amount of Weekly Benefits—(60% of Employee's Normal Straight-Time Weekly Earnings Rate) $ 93.72

3. Indicate Payroll Classification: ☐ Salary Exempt ☐ Salary Non-Exempt ☒ Hourly

4. If this coverage has been canceled, give the date and reason

5. (a) Date last worked ____ 19 ____
(b) Date returned to work ____ 19 ____

6. If Salaried Employee, give the date through which salary continuance is payable ____ 19 ____

7. If claim is being considered in connection with Workmen's Compensation coverage answer the following:
(a) Workmen's Compensation Weekly Benefit Rate $ ____
(b) Period covered by Workmen's Compensation Benefits: From ____ (Date) 19 ____ to and including ____ (Date) 19 ____

8. Give information which might assist the Company in the consideration of this claim

JUN 1 1972 Personnel

17500 00 XXX 0

Pension Unit No. (Branch) ____ GENERAL ELECTRIC COMPANY

Location ____

Date ____ 19 ____ By ____ (Name) ____ (Title)

GE 3682 (5-70) Printed in U.S.A. 7M-433 A

Patient's name Mrs. Emma Furch Age 38

Nature of sickness or injury (Describe complications, if any) Pulmonary embolus

Did this sickness or injury arise out of patient's employment? ☐ Yes ☒ No
If "Yes," explain

Is disability due to pregnancy? ☐ Yes ☒ No
If "Yes," what was the approximate date of commencement of pregnancy? 19

Nature of surgical or obstetrical procedure, if any (Describe fully)

Date performed 19

Give dates of treatments:
Office 4/21/72 19 through 6/ 5/72 19
Home 6/ 5/72 19
Hospital 4/21/72 - 4/29/72

The patient has been continuously disabled (unable to work) from 4/21/72 19 through 6/ 5/72 19
If still disabled, when should patient be able to return to work? 6/ 5/72 19

Name (Please Print) J. L. Paul Thomme, M.D.
(Attending Physician)

Address 1015 Hospital Drive,

Tyler, Texas 75701

Phone Number (Include Area Code) 214-592-8301

Signature J. L. Paul Thomme MD

Remarks:

Date 5/31/72 19

FOR USE BY METROPOLITAN LIFE

DIAG. CODE	THR. DATE	CAL.-UP WEEKS	DAYS WORKED	ACC.	LETTER NO.	DISP.	SUPR.	CTL.	APPR. NO.	DATE OF REVIEW
1				YES / NO						
2										
3										

EXHIBIT NO. YY to Pre-Trial Stipulation of Facts
Letter, S.J. Przywara to Emma Furch, dated 6-6-72.

GENERAL ELECTRIC

CENTRAL
AIR CONDITIONING
PRODUCT DEPARTMENT

* * *

June 6, 1972

Mrs. Emma M. Furch
1215 N. Englewood
Tyler, Texas

Dear Mrs. Furch:

We are returning your claim for weekly sickness and accident benefits since such benefits have been discontinued in accordance with the provisions of the General Electric Insurance Plan.

The plan provides that "Weekly Sickness and Accident Insurance will be discontinued on the date you cease active work because of total disability or pregnancy, except that if you are entitled to Weekly Benefits for a disability existing on such date of cessation, Weekly Sickness and Accident Insurance will be continued until the expiration of the maximum period for which such benefits are payable for such disability in accordance with the provisions of the Plan. Such Insurance may be reinstated only upon your return to active work."

We hope that you have recovered from your current illness and will be able to return to work shortly.

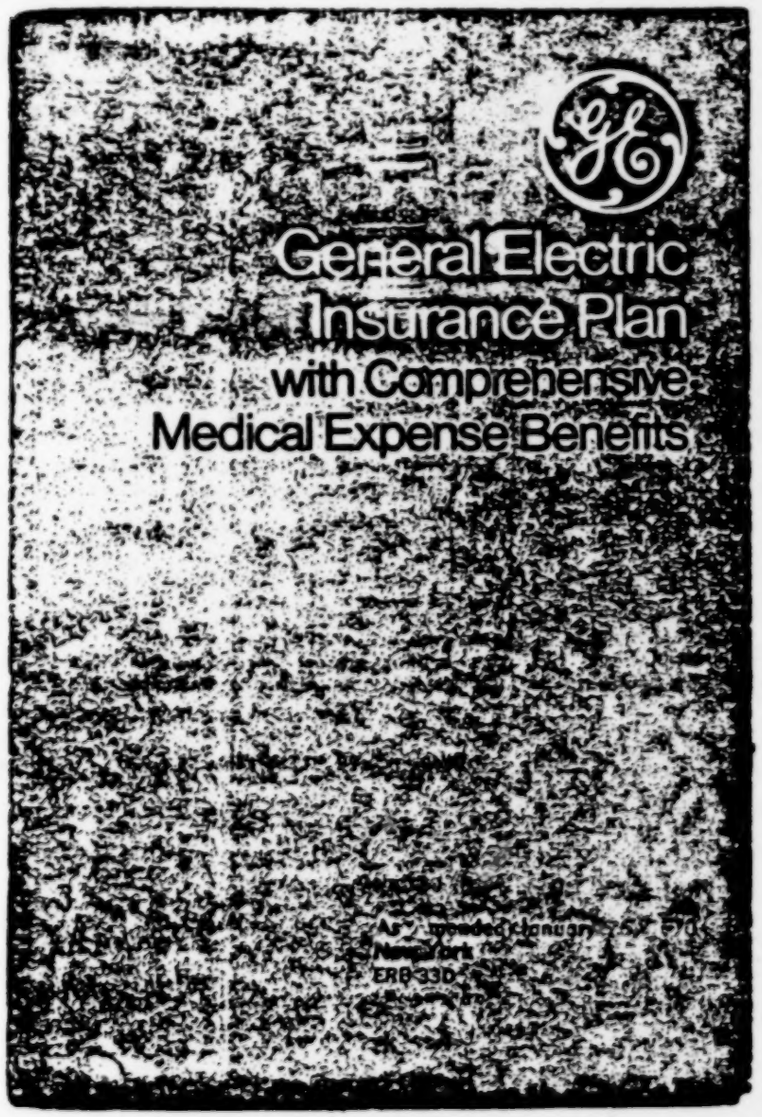
Yours truly,

S. J. Przywara, Manager
Union Relations & Compensation

SJP/nw

Encl.

PLAINTIFFS' EXHIBIT 6 (Exhibit No. C to Pre-Trial Stipulation of Facts) General Electric Insurance Plan with Comprehensive Medical Expense Benefits, as amended January 26, 1970 (ERB-32D)



General Electric's Benefit Plans are designed to help employees help themselves in these major areas:

- **Pension Plan**
- **Medical Care Plan for Pensioners**
- **Savings and Security Program**
- **Savings and Stock Bonus Plan**
- **Savings Plan**
- **Insurance Plan**
- **Long Term Disability Plans**
- **Personal Accident Insurance**
- **Emergency Aid Plan**
- **Suggestion Plan**
- **Vacation Plan**
- **Income Extension Aid Plan**
- **Product Purchase Plan**

This Plan is designed to help you and your dependents meet the threats to security that are brought about by loss of wages through death or disability and the medical expenses which occur when you or one of your dependents have a sickness or an accident.

This brief summary has been prepared to give you the highlights and to help you understand this Plan. It is not a full statement of the Plan. For a complete statement of its provisions and of the benefits available under it, you should read the Plan itself beginning at page 11 of this booklet.

** The effective dates for various provisions of the Plan are set forth in the Plan, except as may otherwise be provided in applicable collective bargaining agreements.*

If you participate through enrollment and by making the required contributions, this Plan provides Life Insurance, Accidental Death or Dismemberment Insurance, and Weekly Sickness and Accident Insurance for you, and Comprehensive Medical Expense Insurance for you and your covered dependents, including maternity benefits for participating female employees and for covered dependent wives of participating employees.

* * *

WEEKLY SICKNESS AND ACCIDENT INSURANCE

see page 17

If non-occupational sickness or accident keeps you away from your job, you will receive weekly an amount equal to sixty percent of your normal straight-time weekly earnings – up to a maximum of $150 – for as long as 26 weeks.

If you are a salaried employee, you will be paid $15 a week for the first 20 days or less during which you will receive salary continuance. You will receive thereafter the full benefits described above.

If you lose time because of on-the-job sickness or accident, the Plan will pay the amount by which benefits under the Insurance Plan for non-occupational sickness or accident exceeds Workmen's Compensation benefits to which you are entitled for time lost from work.

* * *

MATERNITY BENEFITS

see page 20

Maternity benefits payable for female employees and dependent wives will be determined in the same manner as for other covered medical expenses.

CONTRIBUTIONS

see page 29

If you participate in this Plan your contribution will be –

For your full employee coverage . . . 9/10 of 1% of your normal straight-time annual earnings, or

For your employee coverage without Comprehensive Medical Expense Insurance . . . 6/10 of 1% of such earnings.

However, on and after January 1, 1971, no further contributions will be required for your full employee coverage.

* * *

GENERAL ELECTRIC INSURANCE PLAN

(with Comprehensive Medical Expense Benefits) As Amended January 26, 1970

The provisions of this Plan, as stated in this booklet, are applicable to employees in all States except those employed in the States of California and New York who should refer to the Insurance Plan booklet for the State in which they are employed. For employees employed in the States of New Jersey, Rhode Island, and Hawaii and the Commonwealth of Puerto Rico, the Weekly Sickness and Accident Insurance described in this booklet will be adjusted to take into account any similar benefits provided for them pursuant to the laws of such jurisdictions. Such employees will receive an appropriate supplement to this booklet describing the benefits provided pursuant to said laws and the applicable modifications in the benefits and contributions set forth in this booklet.

* * *

WEEKLY SICKNESS AND ACCIDENT INSURANCE (For Employees)

Benefits for Non Occupational Disabilities

If you become totally disabled as a result of a non-occupational sickness or accident while you are participating in this Plan, you will be paid weekly an amount equal to sixty percent of your normal straight-time weekly earnings up to a maximum weekly benefit of $150.

The minimum weekly benefit is $35 for anyone with normal straight-time annual earnings of at least $3000.

Benefits will start with the eighth day you are totally disabled (or with the first day of your confinement in a hospital as a bed patient, if earlier) and will continue during your total disability up to a maximum of 26 weeks for any one continuous period of disability or successive periods of disability due to the same or related cause or causes.

If you are a salaried employee, benefits of $15 a week will be payable during any period of salary continuance commencing with the eighth day of total disability (or with the first day of confinement in a hospital as a bed patient, if earlier), and ending with the day upon which you shall have received, during the preceding 12 months' period, twenty days of salary continuance for personal illness or ending when such salary continuance shall earlier cease. Thereafter, if you are still disabled, the regular benefits described in the initial paragraphs of this section will become payable and will be paid during the remainder of your total disability, but for not more than an additional period of 26 weeks.

If, after your return to work, you again become disabled (a) from the same cause following at least a continuous 90 day period at work or (b) from a different and unrelated cause, you again become eligible for full benefits.

Of course, to collect these benefits, you must be under the care of a physician for the treatment of your disability and your claim must be certified by a physician.

Benefits for Occupational Disabilities

You may be entitled to benefits under a Workmen's Compensation or Occupational Disease Statute for occu-

pational disabilities. However, if, during the period corresponding to that for which you would be paid Weekly Sickness and Accident benefits under this Plan if your disability were a non-occupational disability, the amount to which you are entitled under any Workmen's Compensation or Occupational Disease Statute for time lost from work is less than the amount of benefits to which you would be entitled under this Plan for non-occupational disabilities, you will be paid the difference.

. . . . . .

Benefits under Weekly Sickness and Accident Insurance will not be payable for any absence due to pregnancy or resulting childbirth or to complications in connection therewith. There are, however, Comprehensive Medical Expense benefits in the event of maternity if you are enrolled for such coerage.

* * *

Benefits under Comprehensive Medical Expense Insurance will be payable for expenses incurred by a participating employee or a covered dependent wife in connection with pregnancy, resulting childbirth or complications in connection therewith on the same basis as for any other disability provided the pregnancy commences while insurance on account of such person is in force under this Plan. No benefits are payable under this Plan for maternity expenses on account of any other dependent.

* * *

YOUR CONTRIBUTIONS FOR THE INSURANCE PLAN

Your contributions upon your enrollment for participation in the Plan will be as follows:

1. If you enroll for insurance with respect to yourself as an employee – an amount equal to 9/10 of 1% of your normal straight-time annual earnings. (Without Comprehensive Medical Expense Insurance . . . 6/10 of 1% of such earnings.)

   However, effective January 1, 1971, no contributions will be required for the full benefits of the Plan with respect to your employee coverage.

2. If you enroll for Comprehensive Medical Expense Insurance with respect to your dependents – a separate amount equal to 2% of your normal straight-time annual earnings up to $5,000 of such earnings.

Any required contributions will be made by means of periodic payroll deductions from regular payments of compensation by the Company to you. If, on or after the date on which this Plan becomes effective as to you, you are laid off after you have three years of continuous service with the Company, you become totally disabled, or you begin an absence because of pregnancy, your contributions will be waived as described on pages 33 and 34. In the event you are laid off before you have three years of continuous service with the Company or are granted a leave of absence, contributions in an amount equal to the foregoing percentages of your normal straight-time annual earnings at the time of layoff or leave of absence, as the case may be, must be paid in monthly installments in advance to the Company in order that your insurance will be continued during such period.

If your normal straight-time annual earnings change so as to make you eligible for a different amount of insurance, your insurance and any required contributions under the Plan will increase or decrease in accordance with such change effective on the date such change is made if you are then actively at work or, if not, on the date you return to active work.

If you retire from the Company on pension prior to age 65, you may continue to participate in the Plan, either as to insurance with respect to yourself as an employee or as to insurance with respect to both yourself and your dependents, provided you continue to make any required contributions monthly up to the end of the month in which you reach age 65 on the basis of your normal straight-time annual earnings at the date of your retirement. However, if your retirement is on a Disability Pension under the General Electric Pension Plan, you will not, in any event, be required to make any further contributions for the employee portion of such insurance.

The Company will pay the difference between the net cost of the Plan and the amount contributed by participating employees.

* * *

Provisions Applicable if You Are Absent from Work

1. Total Disability

If you become totally disabled or if you cease work because of pregnancy on or after the date on which this Plan becomes effective as to you, your insurance, other than Weekly Sickness and Accident Insurance, will remain in force without further payment of contributions during a period of total disability of one week or more, up to a maximum period of one year (18 months in the case of occupational disabilities effective January 1, 1971), but only as long as your continuity of service with the Company is maintained, as determined by the Company's rules, subject to periodic proof of continuance of such disability. Insurance for your dependents will also continue in force under the conditions referred to in the preceding sentence.

Weekly Sickness and Accident Insurance will be discontinued on the date you cease active work because of total disability or pregnancy, except that if you are entitled to Weekly Benefits for a disability existing on such date of cessation. Weekly Sickness and Accident Insurance will be continued until the expiration of the maximum period for which such benefits are payable for such disability in accordance with the provisions of the Plan. Such Insurance may be reinstated only upon your return to active work.

At the end of the maximum period referred to in the second preceding paragraph above or the termination of your continuity of service, whichever is earlier, all of the insurance provided by this Plan will cease, except as provided in this paragraph and on page 36. If before age 60 and while insured under the Plan, you had become totally

disabled which, for the purposes of this paragraph only, means total disability as a result of bodily injury or disease so as to be wholly prevented thereby from engaging in any and every business or occupation and from performing any work for compensation or profit, your Life Insurance protection will be continued for the full amount until you reach age 65 provided you furnish proof satisfactory to the Insurance Company of the continuance of such total disability at least once each year. Commencing at age 65 the Life Insurance will be reduced gradually as provided on pages 13 and 14. No contributions for such Life Insurance will be required during the period of total disability.

2. Layoff or Leave of Absence

If you should be laid off on or after the date on which this Plan becomes effective as to you, and after you have three years or more of continuous service with the Company (at the time of layoff), your insurance, except for Weekly Sickness and Accident Insurance, and insurance for your covered dependents will be continued without payment of contributions (in layoffs of one week or more), up to a maximum period of one year, but only as long as your continuity of service is maintained as determined by the Company's rules. If you should be laid off before you have three years of continuous service with the Company or if you are granted a leave of absence (other than for military duty), prior to January 1, 1971, you may, upon payment of your regular contributions monthly in advance, continue all insurance for which you are enrolled, except your Weekly Sickness and Accident Insurance, up to a maximum period of one year in the case of layoff but only as long as your continuity of service

is maintained as determined by the Company's rules or for the duration of your leave of absence in case you are granted such a leave. Benefits with respect to your Weekly Sickness and Accident Insurance will not be payable for any period of disability which begins more than 31 days after such layoff or leave of absence commences. After January 1, 1971, you will not be required to make contributions with respect to employee coverage in the above circumstances.

If you leave for military duty, provision may be made with the Company for the continuation of the Life Insurance provided by this Plan for a limited period. Notice will be given from time to time of the Company's practice as to the continuation of insurance for dependents of employees who leave for military duty.

3. Strike

If you cease work because of a strike, your insurance coverage and insurance for your covered dependents automatically will terminate on the day immediately preceding the first full day's absence from active work because of the strike. However, the Company may, in its discretion, make appropriate arrangements to continue your coverage under this Plan during such strike.

In any event, Weekly Sickness and Accident Insurance will not be continued beyond 31 days from the date last worked and will not be reinstated until you return to active work.

* * *

Claims for Benefits

Benefits under the Plan are payable upon receipt of proof of claim. The Insurance Company is liable for all Life Insurance, Accidental Death or Dismemberment Insurance and Weekly Sickness and Accident Insurance benefits. Comprehensive Medical Expense benefits are primarily payable by the Company. The Insurance Company will be liable for any Comprehensive Medical Expense benefits which are not payable by the Company. The Insurance Company will determine all benefit payments made pursuant to this Plan.

You should file claims promptly through such office as may be designated locally, such as your personnel accounting or employee relations office, for any benefits to which you may be entitled under the Plan upon forms which may be obtained locally. Proof of claim must be filed not later than 90 days after the end of the calendar year in which the loss for which claim is made is incurred unless it is not reasonably possible to do so and proof is filed as soon as is reasonably possible. The Insurance Company reserves the right to medically examine an individual for whom claim is made.

* * *

DEFINITIONS

* * *

2. "Non-Occupational"

The term "non-occupational" means any sickness or injury not arising out of or in the course of employment and not entitling you or a covered dependent to benefits under any Workmen's Compensation or Occupational Disease Law.

PLAINTIFFS' EXHIBIT NO. 7
(EXHIBIT NO. E to Pre-Trial Stipulation of Facts)

GE Long Term Disability Insurance Plan For Hourly Employees, effective Jan. 1, 1970 (ERB 135).

Highlights of the Long Term Disability Insurance Plan for Hourly Employees

Why this plan?

This Plan is designed to help give you an income if you cannot work because of a long-term, total disability.

What are the benefits?

The Plan provides benefits to age 65 so that your combined monthly income, taking into account other benefits payable in connection with your disability such as payments by the Company, including disability pension under the General Electric Pension Plan, plus benefits related to your employment under statutory plans such as Social Security and Workmen's Compensation, will be equal to one twenty-fourth of your normal straight-time annual earnings. Benefits under this Plan begin only after the period for which you are eligible to receive Weekly Sickness and Accident Insurance benefits for such disability under the General Electric Insurance Plan.

How much does this protection cost?

The current contribution for this Plan is as follows:

Employees with less than 14 years of credited service under the General Electric Pension Plan.	five-tenths of one percent (0.5% of your normal straight-time weekly earnings.

Employees with 14 years or more of credited service under the General Electric Pension Plan.	20 cents per week.

The cost of this coverage is borne entirely by participating employees, except that General Electric Company will pay the cost of the administrative work it performs. Payment of benefits is the sole responsibility of the Insurance Company.

Long Term Disability Insurance Plan for Hourly Employees
(Effective January 1, 1970)

1. Benefits for you in the case of long term disability
As a participant, you will receive benefit payments as described below under this Plan for as long as you are absent due to total disability to the end of the month in which you reach age 65. They will begin after the expiration of the period of such disability for which you are eligible to receive Weekly Sickness and Accident Insurance benefits under the General Electric Insurance Plan. However, benefits will begin only after you have been absent from active work because of disability for at least 26 weeks, for any one continuous period of disability or successive periods of disability due to the same or related cause or causes.

For the purpose of this Plan, any similar benefits (provided for employees in certain States) under a plan established in conformity with a State law providing for disability or cash sickness benefits will be considered Weekly Sickness and Accident Insurance benefits under the General Electric Insurance Plan.

"Total disability" for the purpose of this Plan means that, because of illness or injury, you are unable to engage in any gainful occupation for which you are reasonably fitted by education, training or experience and are under the care of a

physician, if necessary, for any treatment of your disability. However, during the first 12 months of absence because of such disability, you will be considered totally disabled if you are unable, because of your illness or injury, to perform any and every duty of your occupation.

2. Your benefits
Your benefits to the end of the month in which you reach age 65 will be based on your normal straight-time annual earnings when you were last actively at work.

Benefits will be paid monthly and will be one twenty-fourth of your normal straight-time annual earnings reduced by (1) any disability pension benefits paid under the General Electric Pension Plan, provided such benefits are elected by you, (2) any primary Social Security benefits, (3) benefits under a Workmen's Compensation or occupational Disease Law, and (4) any benefits available inconfirmity with Federal, State, Commonwealth or Dominion laws of the United States or Canada. If the benefits referred to in (2), (3), or (4) above would have been payable to you upon timely application, you will be considered as receiving such benefits.

3. Your contributions for this coverage
Your contributions under this Plan start at the beginning of the payroll period following acceptance of your enrollment. They are based on years of credited service under the General Electric Pension Plan as of the end of the pay period for which deductions are made.

Contributions will be made by means of payroll deductions from regular payments of compensation by the Company to you.

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The contribution rate established by Metropolitan Life Insurance Company for those employees with less than 14 years of credited service under the General Electric Pension Plan is five-tenths of one percent (0.5%) of your normal straight-time weekly earnings. For those employees with 14 years or more of credited service, the contribution rate is 20 cents per week.

These rates are subject to change by the insurance company each year on January 1.

The cost of this coverage is borne entirely by participating employees, except that the General Electric Company will pay the cost of the administrative work it performs.

* * *

9

Your coverage in case of disability

If you become disabled, your coverage under this Plan will remain in force until the expiration of the period for which you are eligible to receive Weekly Sickness and Accident Insurance benefits for such disability under the General Electric Insurance Plan. Contributions are not required during periods of disability lasting one week or more.

Although pregnancy is not considered a disability, if you are absent because of pregnancy your coverage under the Plan will remain in force during such absence, but only as long as your continuity of service is maintained as determined by Company rules, and, during any such absence of one week or more, no contribution is required.

* * *

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5. Definitions

A. "Total disability"

"Total disability" means that an employee is, because of ill-

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ness or injury, unable to engage in any gainfull occupation for which he is reasonably fitted by education, training or experience and is under the care of a physician, if necessary, for any treatment of his disability. However, during the first 12 months of absence because of disability, the employee will be considered totally disabled if he is unable, because of illness or injury, to perform any and every duty of his occupation.

PLAINTIFFS' EXHIBIT NO. 8
(EXHIBIT NO. F to Pre-Trial Stipulation of Facts)

GE Long Term Disability Income Plan for Salaried Employees, as amended Jan. 1, 1970.

2

Who is eligible?

You are eligible to participate in this Plan if you are a salaried employee with one or more years of continuous service and participate in both the General Electric Insurance and Pension Plans.

Why this plan?

This Plan is designed to help give you an income if you cannot work because of a long-term, total disability.

What are the benefits?

Benefits are provided under this Plan according to the schedules shown on the following pages. In brief:

The Plan provides benefits prior to age 65 in accordance with the schedule shown on page 7. These benefits have been established at a level so that your combined income, if you also receive disability benefits under Social Security, plus disability pension benefits under the General Electric Pension Plan when you qualify, will be about 55% of your normal salary. Benefits will begin after the expiration of the period of such disability for which you are eligible to receive Weekly Sickness and Accident Insurance benefits under the General Electric Insurance Plan. However, benefits will begin only after you have been absent from active work because of disability for at least 26 weeks, for any one continuous period of disability or successive periods of disability due to the same or related cause or causes.

For the purpose of this Plan, any similar benefits (provided for employees in certain States) under a plan established in conformity with a State law providing cash disability or cash sickness benefits will be considered Weekly Sickness and Accident benefits under the General Electric Insurance Plan.

The schedule of Plan benefits payable beginning at age 65 provides an amount approximating the pension that would

have been credited during the period of disability prior to age 60 under the General Electric Pension Plan if your disability had not occurred. You will receive these benefits only if you remain disabled and have continually received benefits under this Plan for a disability which began before age 60.

How much does this protection cost?
The current contribution rate for this Plan is 60¢ a month for each $100 of your monthly coverage.

The cost of this coverage is borne entirely by participating employees, except that the General Electric Company will pay certain administrative costs of the Plan. Payment of benefits is the sole responsibility of the insurance company.

5

Long Term Disability Income Plan for Salaried Employees
(As Amended January 1, 1970)

1, Benefits for you in case of long term disability
As a participant, you will receive benefit payments as described under this Plan for as long as you are absent due to total disability following the expiration of the period of such disability for which you are eligible to receive Weekly Sickness and Accident Insurance benefits under the General Electric Insurance Plan, but in no event will benefit payments under this Plan begin until you have been absent from active work because of disability for at least 26 weeks, for any one continuous period of disability or successive periods of disability due to the same or related cause or causes.

For the purpose of this Plan, any similar benefits (provided for employees in certain States and Puerto Rico) under a plan established in conformity with the Statutes of such jurisdiction which provide for disability or cash sickness benefits will be considered Weekly Sickness and Accident Insurance benefits under the General Electric Insurance Plan.

"Total Disability" for the purpose of this Plan means that, because of illness or injury, you are unable to engage in any gainful occupation for which you are reasonably fitted by education, training or experience and are under the care of a physician, if necessary, for any treatment of your disability.

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However, during the first 12 months of absence because of such disability, you will be considered totally disabled if you are unable, because of your illness or injury, to perform any and every duty of your occupation.

2. Your benefits before age 65

Your benefits to the end of the month in which you reach age 65 will be based on your normal straight-time annual earnings and years of credited service when you were last actively at work.

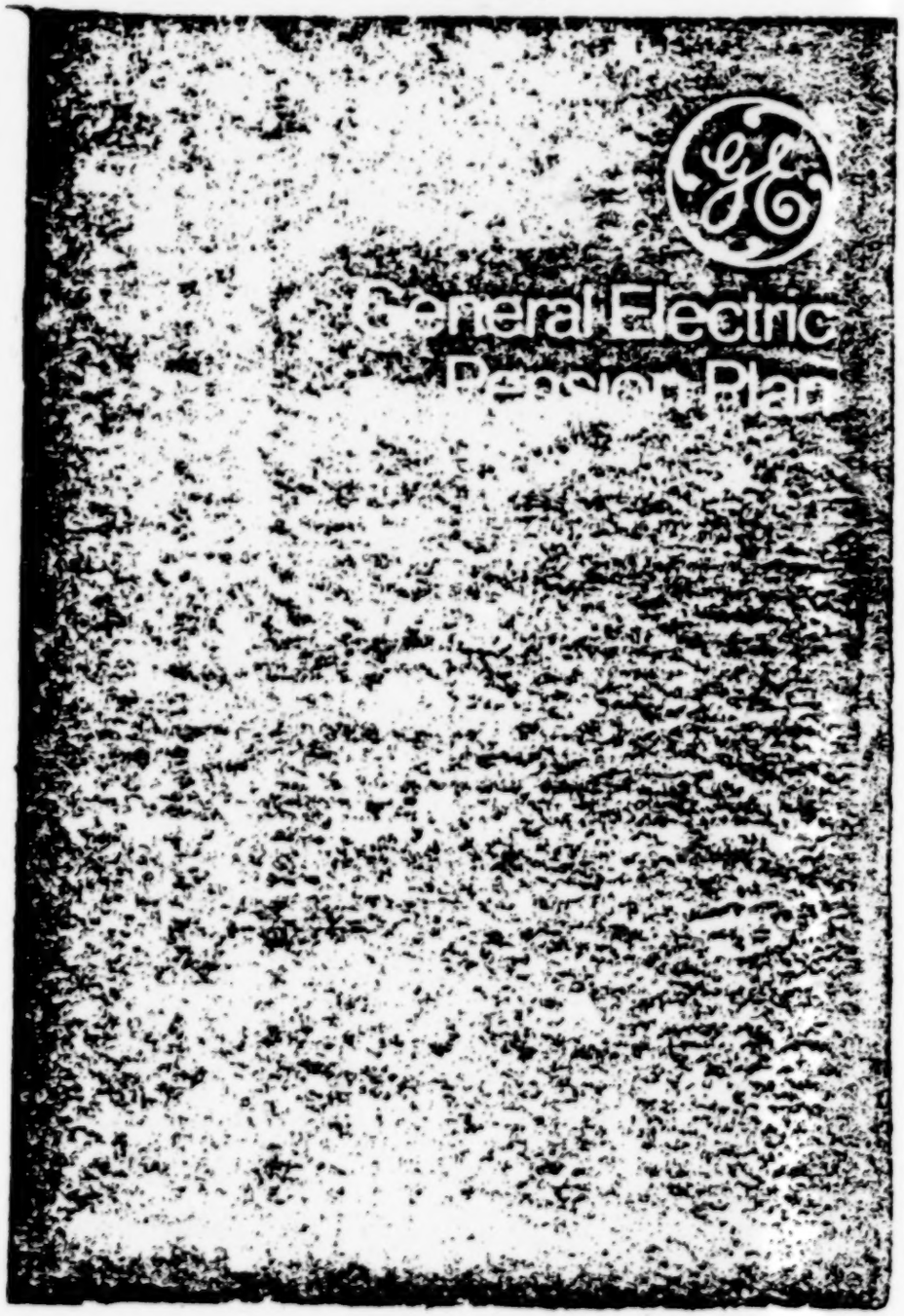
The Schedule of Benefits under this Plan is designed so that your income from the Plan plus any General Electric Pension Plan disability pension and any Social Security disability benefits which may be payable to you will equal approximately 55% of your normal straight-time annual earnings.

The only benefits payable under this Plan prior to age 65 are those specified in the Schedule of Benefits whether or not you receive Social Security disability benefits or a disability pension under the General Electric Pension Plan.

To determine your benefits under this Plan, refer to the following Schedule of Benefits Prior to Age 65. For example, if you had normal straight-time annual earnings of $12,000 and 12 years of credited service, you would be entitled, if totally disabled, to a benefit of 40% of such

PLAINTIFFS' EXHIBIT NO. 9
(EXHIBIT NO. G to Pre-Trial Stipulation of Facts)

GE Pension Plan as amended January 1, 1970
(ERB-42E)



earnings or an annual rate of $4,800. The Plan benefits are payable monthly which, in this example, would amount to $400.

Summary

The following brief outline of the basic features of the General Electric Pension Plan is set out for your convenience in understanding the provisions of the Plan. This summary is not a full statement of the Plan. For a complete statement of the terms, conditions and provisions of the Plan, and of the benefits available under it, you should read the Plan itself as reproduced beginning at page 12 of this booklet.

General Electric Pension Plan

is designed to help participating employees provide for financial security after retirement. One of the leaders in American industry, it offers

Normal retirement at age 65

Optional early retirement

Pensions that increase with total earnings under the Plan

Survivorship option

Return of contributions plus interest when the employee is not eligible for pension

Credit for first year of service

Five-year certain payments

And, for long-service employees:

Guaranteed minimums

Disability pensions

Vested rights

Supplemental payments

Surviving spouse payments

2

Eligibility

You may participate in the General Electric Pension Plan after one year's continuous service with the Company. To be eligible for benefits you must enroll in the Plan.

Your first year with the Company will be included in determining your credited service for disability pension, guaranteed minimums, survivor benefits, vesting and supplemental payments if you were a member of the Plan on August 14, 1955, or, in the event you were not eligible to participate in the Plan on that date, if you enroll in the Plan promptly after completing your first year of service.

If you had one or more years of continuous service on September 1, 1946, you may participate in the Plan to the extent of the benefits provided by it for service prior to that date if you remain continuously in the Company's service until retirement or until your right to such benefits has vested.

How much do you contribute?

You contribute nothing on the first $6600 of your compensation in a year; but you contribute 3% of your compensation above this amount.

If your compensation under the Plan is more than $6600 in a year, you will be required to make the 3% contribution on the excess in order to receive credit for compensation below this amount.

3

Normal retirement

The normal retirement date of any employee of the Company is the first day of the month following his or her attainment of age 65.

Your annual pension for service after December 31, 1966 will be:

1% of the first $6600 of your compensation in each calendar year after that date, plus 2.1% of your compensation above that amount.

Thus, if your compensation under the Plan after January 1, 1967 is $8,300 a year for 30 years, your pension for those 30 years would be $3,051 a year or $254.25 a month. Social Security would be on top of this. If your Social Security were $189.80 (the maximum available to men in 1970 under the law in effect as of January 1, 1970) your monthly income would be $444.05.

Guaranteed minimum pensions for long-service employees

If you retire after December 31, 1969 at age 65 with 15 or more years of full-time credited service, you are guaranteed a minimum pension for each year of such credited service based on your average annual compensation for the highest five consecutive calendar years during the last ten completed calendar years before your retirement, as shown in the table on page 4.

A guaranteed minimum of up to

$7.50

a month for each year of full-time credited service

PLAINTIFFS' EXHIBIT NO. 10
(EXHIBIT NO. H-1 to Pre-Trial Stipulation of Facts)

GE Medical Care Plan for Pensioners,
effective January 1, 1971 (ERB-107C)

3

Summary of the
General Electric
Medical Care Plan
for Pensioners
(With Amendments Effective January 1, 1971)

The General Electric Medical Care Plan for Pensioners is designed to help eligible retired employees and their spouses meet the cost of medical services incurred as a result of sickness or accident.

This brief summary has been prepared to give you the highlights of the Plan and to help you understand the benefits it provides when you need them. For a complete statement of the provisions, you should read the full text of the Plan beginning on page 7 of this booklet.

4

Benefits Provided
Under this Plan

Benefit Payments
Benefit provisions of this revised Plan apply to all eligible pensioners regardless of date of retirement or the General Electric Insurance Plan under which insured at the time of retirement.

If you are a pensioner and meet the eligibility requirements as described on page 8, you and your spouse are entitled to benefits under one of the following provisions:

† A pensioner or spouse who is eligible for benefits under the Federal Government's Medicare Program

(1) For hospital confinements commencing prior to January 1, 1971.
  (a) A payment of $8 will be made to you for each day of hospital confinement for which benefits are provided under the Government's Medicare Program (or would have been provided had the deductible been satisfied).
  (b) A payment of $30 will be made to you for each day of hospital confinement which extends beyond the period for which benefits are provided under the Government's Medicare Program, unless confined in a tuberculosis or psychiatric hospital owned or operated by any government or agency thereof in which case the payments in (3) below will be made.

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(2) For hospital confinements commencing on and after January 1, 1971.
  (a) A payment of $40 will be made to you for the first day of hospital confinement for which benefits are provided under the Government's Medicare Program (or would have been provided had the deductible been satisfied).
  (b) A payment of $10 will be made to you for each subsequent day of hospital confinement for which benefits are provided under the Government's Medicare Program (or would have been provided had the deductible been satisfied).
  (c) A payment of $40 will be made to you for each day of hospital confinement which extends beyond the period for which benefits are provided

under the Government's Medicare Program unless confined in a tuberculosis or psychiatric hospital owned or operated by any government or agency thereof in which case the payments in (3) below will be made.

(3) For confinements in a tuberculosis or psychiatric hospital owned or operated by any Government or agency thereof or a portion of an extended care facility which qualifies for benefits under Medicare.

(a) A payment of $10 will be made to you for each day of confinement which extends beyond the period for which benefits are provided under the Government's Medicare Program.

† **A pensioner or spouse who is not eligible for benefits under the Federal Government's Medicare Program because of residence or travel outside the United States or its possessions or because of age.**

Benefits will be payable for hospital room and board, special hospital services, surgical operations, anesthesia, ambulance service and diagnostic X-rays. There is no limit on the number of days of hospital confinement for which benefits are payable.

Benefits are determined separately for covered medical expenses incurred by each person eligible under this provision. You pay the first $25 of such expenses within any calendar year regardless of the number of different sicknesses or accidents. The Plan then pays, during the calendar year, the next $225 of covered medical expenses in full and 85% of the remainder.

Maximum Benefits

The aggregate maximum benefits payable to you and your spouse are:

$8,000– payable under this Plan.

PLUS

$1,000– payable under the General Electric Insurance Plan after the above amount has been exhausted (see page 16). As benefits are paid from this $1,000 a corresponding reduction will be made in the amount of your Life Insurance payable under the Insurance Plan.

Protection for your surviving spouse

If you should die while covered under this Plan, your surviving spouse will be entitled to any unused portion of the benefits described above, except those which would be paid from your Life Insurance.

General Electric
Medical Care Plan
for Pensioners
(With Amendments Effective January 1, 1971)

The benefits payable under the Plan with respect to medical expenses incurred before January 1, 1971 shall be determined by the terms and conditions of the Plan as previously in effect.

Eligibility*

You are eligible for benefits if:

* *Widows* of eligible pensioners who died on or after October 2, 1960, but prior to January 1, 1971 will have the benefits provided by this Plan as amended except that they will be limited to the maximum benefit provisions of the Plan in effect when the pensioner died.

(1) You retired *on or after* December 1, 1950, *and*
   (a) You are a retired employee who has reached normal retirement date, which term as used in the Plan means your normal retirement date as specified under "Definitions" on page 22 (regardless of whether you may have retired before or after such date), and
   (b) You have completed at least 10 years of continuous service before your normal retirement date, and
   (c) You were insured for Medical Expense coverage under the Insurance Plan for as long as you were eligible during the 10-year period immediately prior to your normal retirement date, and
   (d) You either left the service of the Company or an affiliate on or after your normal retirement date, or if you left before that date, you were entitled to receive, commencing at the time you left, a pension under the Pension Plan or under the pension plan of an affiliate or a retirement allowance from the Company or an affiliate.

(2) *You retired before* December 1, 1950, *and*
   (a) You are a retired employee, who, prior to December 1, 1950, left the service of the Company or an affiliate which participates in the Pension Plan, and
   (b) You had completed at least 10 years of continuous service at the time you left, and
   (c) You were receiving a pension under the Pension Plan or a retirement allowance from the Company or an affiliate on December 1, 1950.

BENEFITS FOR INDIVIDUALS ELIGIBLE FOR MEDICARE

If you or your spouse qualify for coverage under the Federal Government's Medicare Program, benefits for that individual will be payable as described below, up to the maximum set forth under Maximum Benefits on page 16.

▲ ***Hospital Confinements Commencing Prior to January 1, 1971***

When confined as an inpatient in a legally constituted hospital and receiving services performed or prescribed by a physician or surgeon for the diagnosis, care or treatment of illness or injury:

- $8 will be payable for each day of confinement for which benefits are provided by Medicare, or would have been provided had the deductible been satisfied.
- $30 will be payable for each day of confinement which extends beyond the period for which benefits are provided by Medicare, unless confined in a tuberculosis or psychiatric hospital owned or operated by any government or agency thereof, in which case the benefits in the following paragraph will be payable.
- $10 will be payable for each day of confinement in a tuberculosis or psychiatric hospital owned or operated by any government or agency thereof which extends beyond the period for which benefits are provided by Medicare.
- $30 will be payable for each day of confinement for which benefits are not provided by Medicare solely because the confinement is for dental work or the hospital is not certified under the Federal Government's Medicare Program.

▲ ***Hospital Confinements Commencing On or After January 1, 1971***

When confined as an inpatient in a legally constituted hospital and receiving services performed or prescribed by a physician or surgeon for the diagnosis, care or treatment of illness or injury:

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- $40 will be payable for the first day of confinement for which benefits are provided by Medicare or would have been provided had the deductible been satisfied.
- $10 will be payable for each subsequent day of confinement for which benefits are provided by Medicare or would have been provided had the deductible been satisfied.
- $40 will be payable for each day of confinement which extends beyond the period for which benefits are provided by Medicare, unless confined in a tuberculosis or psychiatric hospital owned or operated by any government or agency thereof, in which case the benefits in the following paragraph will be payable.
- $10 will be payable for each day of confinement in a tuberculosis or psychiatric hospital owned or operated by any government or agency thereof which extends beyond the period for which benefits are provided by Medicare.
- $40 will be payable for each day of confinement for which benefits are not provided by Medicare solely because the confinement is for dental work or the hospital is not certified under the Federal Government's Medicare Program.

▲ ***Extended Care Facility Confinements***

While confined as an inpatient in a portion of an extended care facility, which is certified under the Federal Government's Medicare Program, and receiving services performed or prescribed by a physician or surgeon for the

diagnosis, care or treatment of illness or injury:

- $10 will be payable for each day of confinement which extends beyond the period for which benefits are provided by Medicare.

▲ ***Exclusions (Individuals Eligible for Medicare)***

Benefits will not be paid for confinement for which coverage is provided under the General Electric Insurance Plan.

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BENEFITS FOR INDIVIDUALS NOT ELIGIBLE FOR MEDICARE

If you or your spouse do not qualify for benefits under the Federal Government's Medicare Program because of residence or travel outside the United States or its possessions, or because of age, benefits for that individual will be payable as described below, up to the maximum set forth under Maximum Benefits on page 16.

▲ ***1. Calculation of Benefits***

Benefits will be determined separately for each person eligible under this provision, and will be equal to:

(a) 100% of the first $225 of such Covered Medical Expenses which during any one calendar year are in excess of an initial amount of $25, and

(b) 85% of any additional Covered Medical Expenses incurred.

* * *

PLAINTIFFS' EXHIBIT NO. 11
(EXHIBIT NO. I)

GE Individual Development Program,
effective January 1, 1970 (ERB-161)

A PROGRAM THAT CAN BE CUSTOM TAILORED TO MEET YOUR NEEDS

In this period of rapid change when entire occupations – and businesses – can become more complicated, or more simple, or just disappear, trained people often need to update their skills, or orient them to the new business needs. Still other people who have little or no training or education, must equip themselves with basic knowledge of reading, writing and mathematics and must learn skills that are needed by the businesses that seek employees.

This booklet describes a new self-improvement program, called the General Electric Individual Development Program. It is aimed at helping employees improve themselves, while helping General Electric businesses use each employee to his full potential.

As the title indicates, this Program is designed to be custom tailored to fit the individual needs of each hourly and non-exempt salaried employee, whether he or she is hgihly skilled or unskilled, a high school graduate or grammar school droput. The Program offers extremely flexible benefits in the form of tuition refunds for education courses while working, tuition refunds – and sometimes a training allowance – for training and education while on layoff, and Company-sponsored in-plant education and training courses.

If you are one of the individuals this program can help – that is, if your skills need reorienting or updating, or if

you need basic education or higher level knowledge–you will find it worthwhile to study this booklet.

HIGHLIGHTS

The Individual Development Program covers three broad areas of education and training opportunities for General Electric hourly and non-exempt salaried employees:

Part 1– Tuition Refund

- 100 percent tuition refund, up to a maximum of $400 per year, for satisfactory completion of approved job-related or career-oriented courses.
- Courses that may be approved range from basic literacy to college level, including occupational and vocational courses intended to update an employee in his current trade or prepare for potential future openings.
- All full-time hourly and non-exempt salaried employees with six months of service are eligible to participate.

Part 2– Training Opportunities for Employees on Layoff

- Tuition refund benefits similar to those in Part 1.
- Training allowance, equal to 50 percent of weekly pay, for those enrolled in approved courses who are not entitled to receive state or federal unemployment compensation. All such eligible employees are entitled to a minimum of eight weeks at half pay, or longer depending on the formula of two weeks of half pay for each year of service.
- All hourly and non-exempt salaried employees with six months or more of service at time of layoff and who retain recall rights are eligible.

Part 3– Company-Sponsored Programs

- The Company will continue to offer local training programs in the plant, or in conjunction with local school systems, based on the needs of the business.
- No tuition payments involved.
- All hourly and non-exempt salaried employees are eligible to participate regardless of service.

PLAINTIFFS' EXHIBIT NO. 22

STATEMENT OF CLAIM
FOR
ACCIDENT AND SICKNESS WEEKLY BENEFITS

PLAINTIFFS EXHIBIT NO 22

Statement of Claim for Accident and Sickness TO BE COMPLETED BY THE EMPLOYEE
Weekly Benefits of General Electric Company (Please answer all questions)

First Name M.I. Last Name Work Phone Shift Bldg.

1 Employee's name (Print) [ ] [ ] [ ]

I hereby authorize the Physician to release any information requested with respect to this Claim.
I certify that the information furnished by me in support of this claim is true and correct.

Date 19 Employee's Signature

TO BE COMPLETED BY THE EMPLOYER

(Please answer all questions)

1. Employee's name Social Security No.
2. Amount of Weekly Benefits—(60% of Employee's Normal Straight-Time Weekly Earnings Rate) $
3. Indicate Payroll Classification ☐ Salary Exempt ☐ Salary Non-Exempt ☐ Hourly
4. If this coverage has been canceled, give the date and reason
5. (a) Date last worked 19
   (b) Date returned to work 19
6. If Salaried Employee, give the date through which salary continuance is payable 19
7. If claim is being considered in connection with Workmen's Compensation coverage answer the following:
   (a) Workmen's Compensation Weekly Benefit Rate $
   (b) Period covered by Workmen's Compensation Benefits: From 19 (Date) to and including 19 (Date)
8. Give information which might assist the Company in the consideration of this claim

17500 00 XXX 0

Pension Unit No. (Branch) **GENERAL ELECTRIC COMPANY**

Location

Date 19 By (Name) (Title)

FN-688 A

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ATTENDING PHYSICIAN'S STATEMENT

Patient's name Age

Nature of sickness or injury (Describe complications, if any)

Did this sickness or injury arise out of patient's employment? ☐ Yes ☐ No
If "Yes," explain

Is disability due to pregnancy? ☐ Yes ☐ No
If "Yes," what was the approximate date of commencement of pregnancy? 19

Nature of surgical or obstetrical procedure, if any (Describe fully)

Date performed 19

Give dates of treatments:

Office
Home
Hospital

The patient has been continuously disabled (unable to work) from 19 through 19
If still disabled, when should patient be able to return to work? 19

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Remarks: .....

Date ..... 19 .....

Signed .....
(Attending Physician)

Address .....

.....

Phone .....

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REMARKS